

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-101  
June 16, 2008

RECEIVED  
NOV  
DEC 19 2010  
HOBBSOCD

Submit to appropriate District Office

☐ AMENDED REPORT

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN,  
PLUGBACK, OR ADD A ZONE**

<sup>1</sup> Operator Name and Address CELERO ENERGY II, LP 400 W. Illinois, Suite 1601, Midland, TX 79701		<sup>2</sup> OGRID Number 247128
<sup>3</sup> Property Code 303735	<sup>5</sup> Property Name ROCK QUEEN UNIT	<sup>3</sup> API Number 30 - 005 - 29160
<sup>9</sup> Proposed Pool 1 CAPROCK: QUEEN		<sup>8</sup> Well No. 702
<sup>9</sup> Proposed Pool 1 CAPROCK: QUEEN		<sup>10</sup> Proposed Pool 2

**<sup>7</sup> Surface Location**

UL or lot no. C	Section 36	Township 13 S	Range 31 E	Lot Idn	Feet from the 100	North/South line North	Feet from the 2635 2628	East/West line West	County Chaves
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**<sup>8</sup> Proposed Bottom Hole Location If Different From Surface**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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**Additional Well Information**

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code O	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code S	<sup>15</sup> Ground Level Elevation 4390'
<sup>16</sup> Multiple N	<sup>17</sup> Proposed Depth 3100'	<sup>18</sup> Formation Queen	<sup>19</sup> Contractor Union Drilling Inc.	<sup>20</sup> Spud Date 12/02/2010


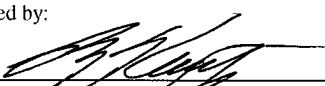
**<sup>21</sup> Proposed Casing and Cement Program**

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
11"	8-5/8"	24#	350'	135	Surface
7-7/8"	5-1/2"	15.5#	3100'	680	Surface

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

1. Prepare surface location. Move in and rig up drilling rig. Install riser and bell nipple. Spud well.
2. Drill 11" surface hole to a minimum depth of 350'. Set 8-5/8" casing and cement to surface. Install & test BOP's.
3. Drill 7-7/8" production hole, 3100' TD. Evaluate logs to TD.
4. Set 5-1/2" to TD and cement to surface.
5. Place well on test.

**Permit Expires 2 Years From Approval  
Date Unless Drilling Underway**

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.		OIL CONSERVATION DIVISION	
Signature: 		Approved by: 	
Printed name: Vickie A. Inman		Title: PETROLEUM ENGINEER	
Title: Agent		Approval Date: DEC 03 2010	Expiration Date:
E-mail Address: Vickie A. Inman			
Date: 11/16/2010	Phone: 432-682-4559	Conditions of Approval Attached <input type="checkbox"/>	

Submit 1 Copy To Appropriate District Office

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1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Conservation and Natural Resources

Form C-103

October 13, 2009

RECEIVED

DEC 01 2009

HOBBS

CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-005-2916D

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Rock Queen Unit

8. Well Number 702

9. OGRID Number 247128

10. Pool name or Wildcat  
Caprock; Queen

SUNDRY NOTICES AND REPORTS ON WELLS  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator  
Celero Energy II, LP

3. Address of Operator 400 W. Illinois, Ste. 1601  
Midland, TX 79701

4. Well Location

Unit Letter C : 100 feet from the North line and 2636 feet from the West line  
Section 36 Township 13S Range 31E NMPM County Chaves

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
4390'

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐  
DOWNHOLE COMMINGLE ☐

OTHER: Move well location

☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER:

☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

We request approval to move the well location:

FROM: 100' FNL & 2636' FWL, UL C, Sec 36, T13S, R31E

TO: 100' FNL & 2628' FWL, UL C, Sec 36, T13S, R31E

New plat is attached.

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

Lisa Hunt

TITLE Regulatory Analyst

DATE 12/01/2010

Type or print name Lisa Hunt

E-mail address: lhunt@celeroenergy.com

PHONE: (432)686-1883

For State Use Only

APPROVED BY:

[Signature]

TITLE

PETROLEUM ENGINEER

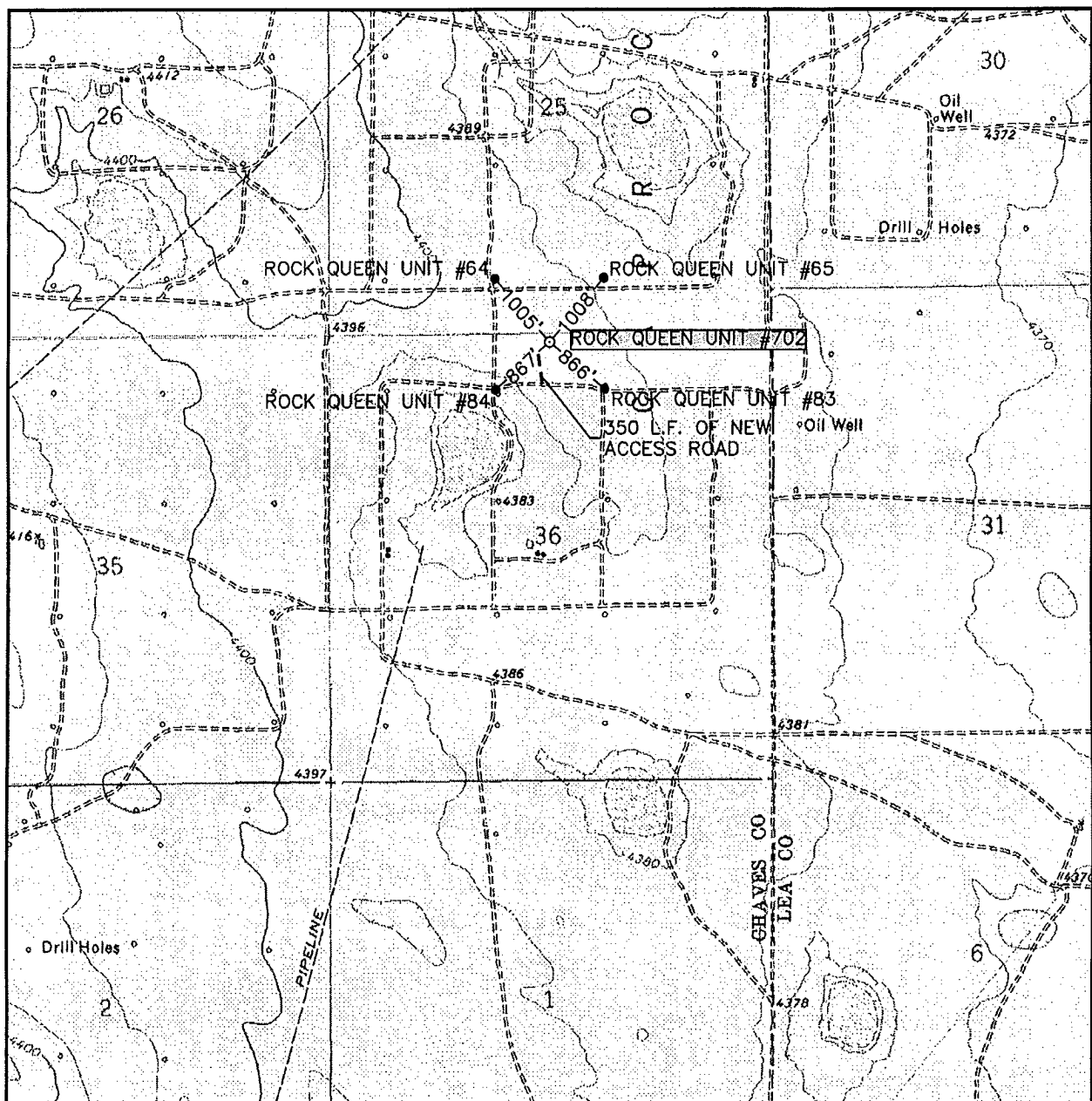
DATE

DEC 03 2010

Conditions of Approval (if any):

[illegible]

# LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:  
CAUDILL RANCH - 10'

SEC. 36 TWP. 13-S RGE. 31-E

SURVEY N.M.P.M.

COUNTY CHAVES

DESCRIPTION 100' FNL & 2636' FWL

ELEVATION 4390'

OPERATOR CELERO ENERGY II, L.P.

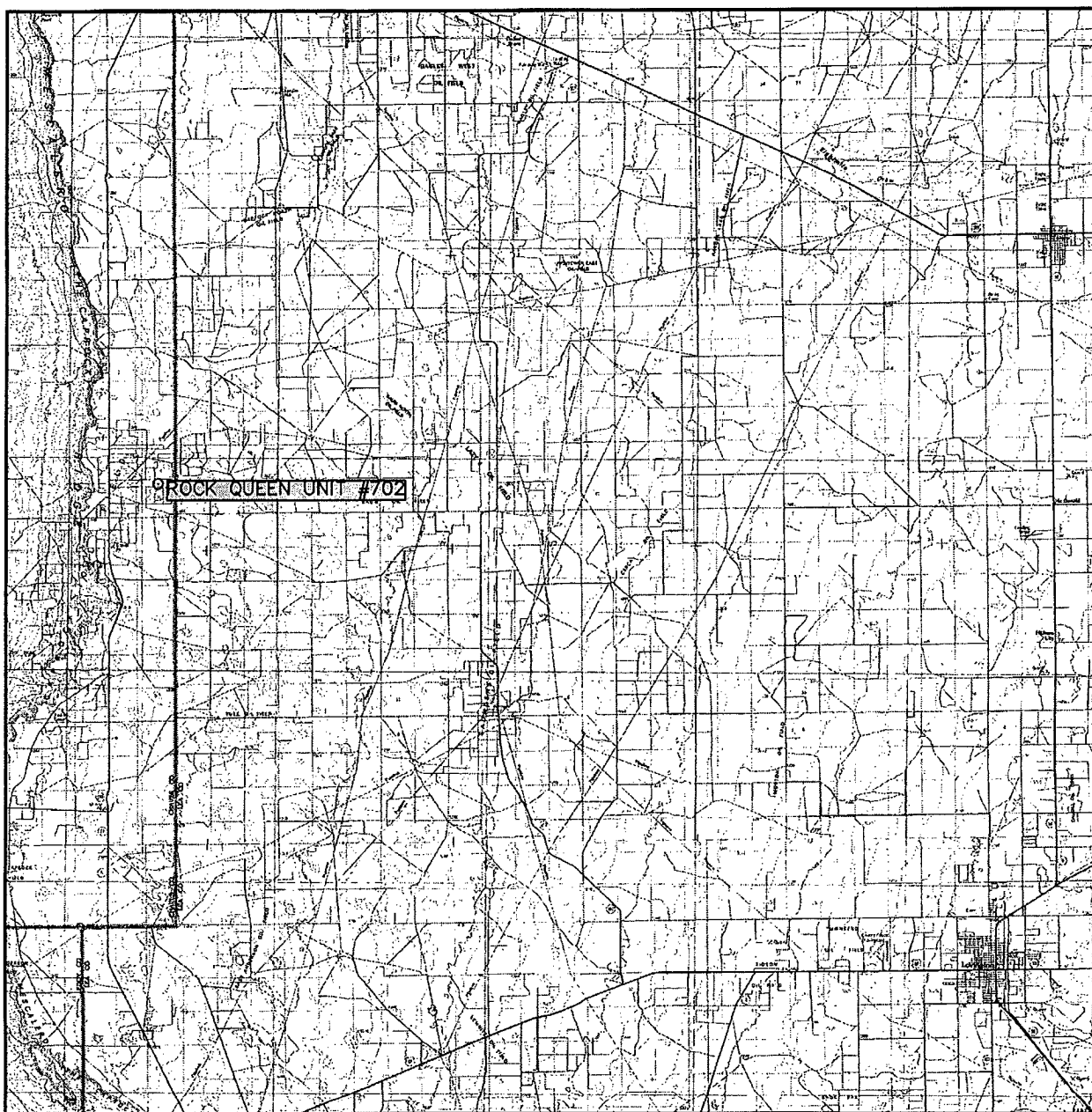
LEASE ROCK QUEEN UNIT

U.S.G.S. TOPOGRAPHIC MAP  
CAUDILL RANCH



110 W. LOUISIANA, STE. 110  
MIDLAND TEXAS, 79701  
(432) 687-0865 - (432) 687-0868 FAX

# VICINITY MAP



SCALE: 1" = 5 MILES

SEC. 36 TWP. 13-S RGE. 31-E

SURVEY N.M.P.M.

COUNTY CHAVES

DESCRIPTION 100' FNL & 2636' FWL

ELEVATION 4390'

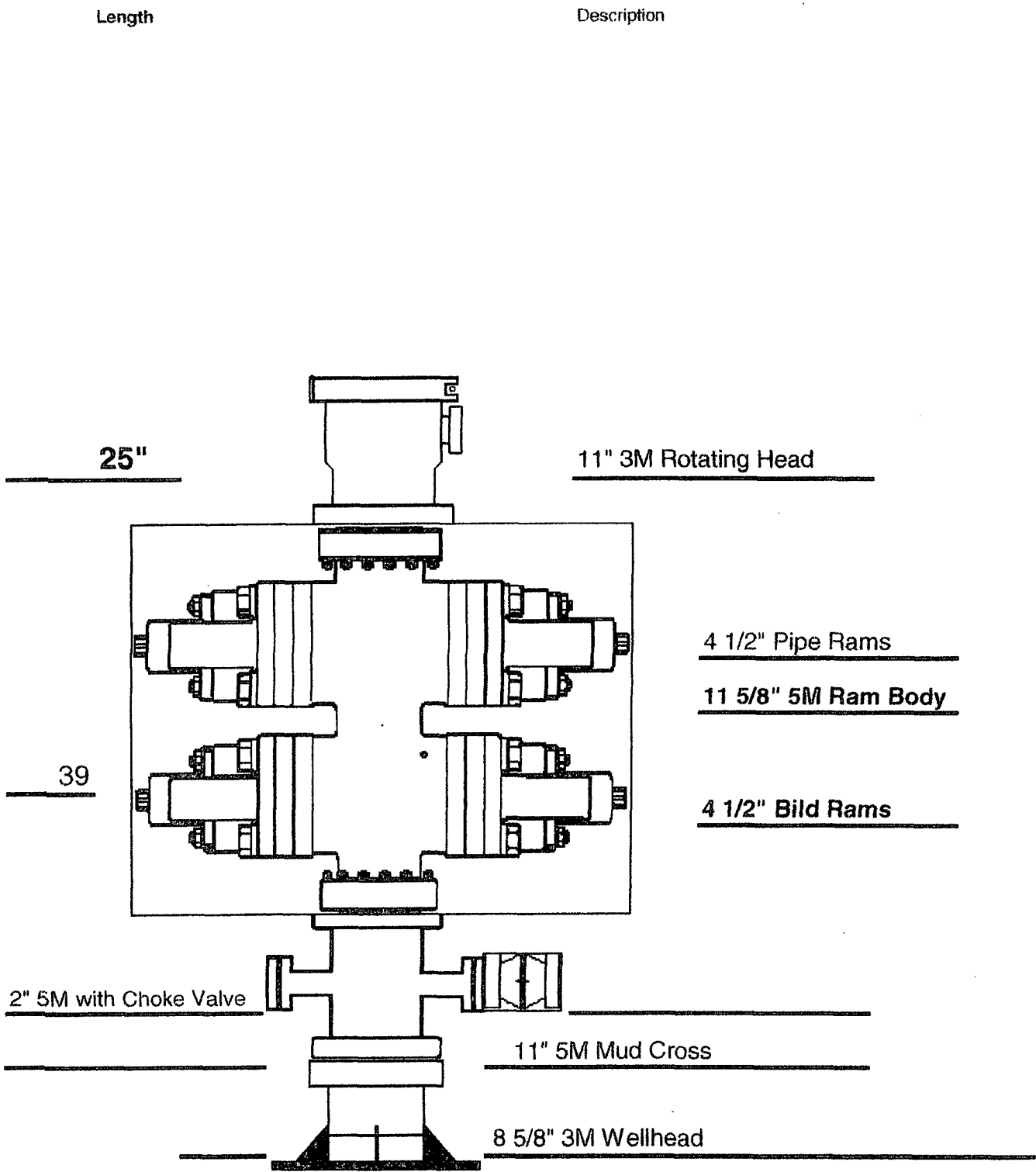
OPERATOR CELERO ENERGY II, L.P.

LEASE ROCK QUEEN UNIT



110 W. LOUISIANA, STE. 110  
MIDLAND TEXAS, 79701  
(432) 687-0865 - (432) 687-0868 FAX

UDI RIG 201 Surface - BOP



There is a 4" valve out of the mud cross flowing to gas buster

Stephen W. Butts  
Office: (575) 391-0091  
Fax: (575) 391-0094  
Cell: (575) 631-3151

## CEMENT AND ADDITIVES

175% Excess

100% Excess

	<u>Lead</u>	<u>Tail</u>
Density:	12.00 #/gal.	14.20 #/gal.
Yield:	2.30 cu.ft/sk	1.30 cu.ft/sk
Mixing Water:	13.01 gal/sk	5.91 gal/sk
Total Water Mix:	77.46 Bbls	9.85 Bbls
Slurry Volume:	102.46 Bbls	16.15 Bbls

Casing Size: 5 1/2"      Casing Depth: 3100'      Type of Plug: TRP  
Size of Plug: 5 1/2"

July 29, 2010  
CELERO ENERGY  
ROCK QUEEN PROJECT  
Job Type: 8 5/8" CASING INSIDE OF 11" HOLE

Stephen W. Butts  
Office: (575) 391-0091  
Fax: (575) 391-0094  
Cell: (575) 631-3151

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**SACKS**

Lead 135 sks

100% Excess

**CEMENT AND ADDITIVES**

Class C + 2% CACL2 + 0.125# Cello-flake + 0.25% R-38

	<b><u>Lead</u></b>
Density:	14.80 #/gal.
Yield:	1.35 cu.ft/sk
Mixing Water:	6.33 gal/sk
Total Water Mix:	20.36 Bbls
Slurry Volume:	32.37 Bbls

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Total Sacks: 135      Total Ft3: 181.78      Total H2O: 20.36 Bbls

Hole Size: 11"      Total Depth: 350'

Casing Size: 8 5/8"      Casing Depth: 350'      Type of Plug: TRP  
Size of Plug: 8 5/8"