

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103

October 13, 2009

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.

30-005-00943

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

303735

7. Lease Name or Unit Agreement Name

Rock Queen Unit

8. Well Number 89

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, LP3. Address of Operator 400 W. Illinois, Ste. 1601
Midland, TX 79701

4. Well Location

Unit Letter I : 1980 feet from the South line and 660 feet from the East line
Section 36 Township 13S Range 31E NMPM County Chaves11. Elevation (Show whether DR, RKB, RT, GR, etc.)
4391' KB

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: ☐

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.

- 1) RIH with tubing and spot 15 sx Class C at 3073'-2973'. WOC 3 hours and tag. Circulate hole with 10 ppg salt mud.
- 2) POOH. RBIH w/packer, perforate at 2180', and squeeze 40 sx Class C at 2080'-2180'. → WOC-TA9
- 3) PU to 1200', perforate at 1500' and squeeze 40 sx Class C at 1400'-1500'. → WOC-TA9
- 4) PU to 400' and test backside. POOH.
- 5) Perforate at 355' and circulate the 5-1/2" and 5-1/2"-by-8-5/8" casing annulus with 110 sx Class C.
- 6) Cutoff wellhead and set P&A marker. Reclaim location.

The Oil Conservation Division **Must be notified**
24 hours prior to the beginning of plugging operations.

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 HuntTITLE Regulatory AnalystDATE 12/09/2010Type or print name Lisa HuntE-mail address: lhunt@celeroenergy.comPHONE: (432)686-1883

For State Use Only

APPROVED BY:

[Signature]

TITLE

STAFF MGR

DATE

12-9-10

Conditions of Approval (if any):

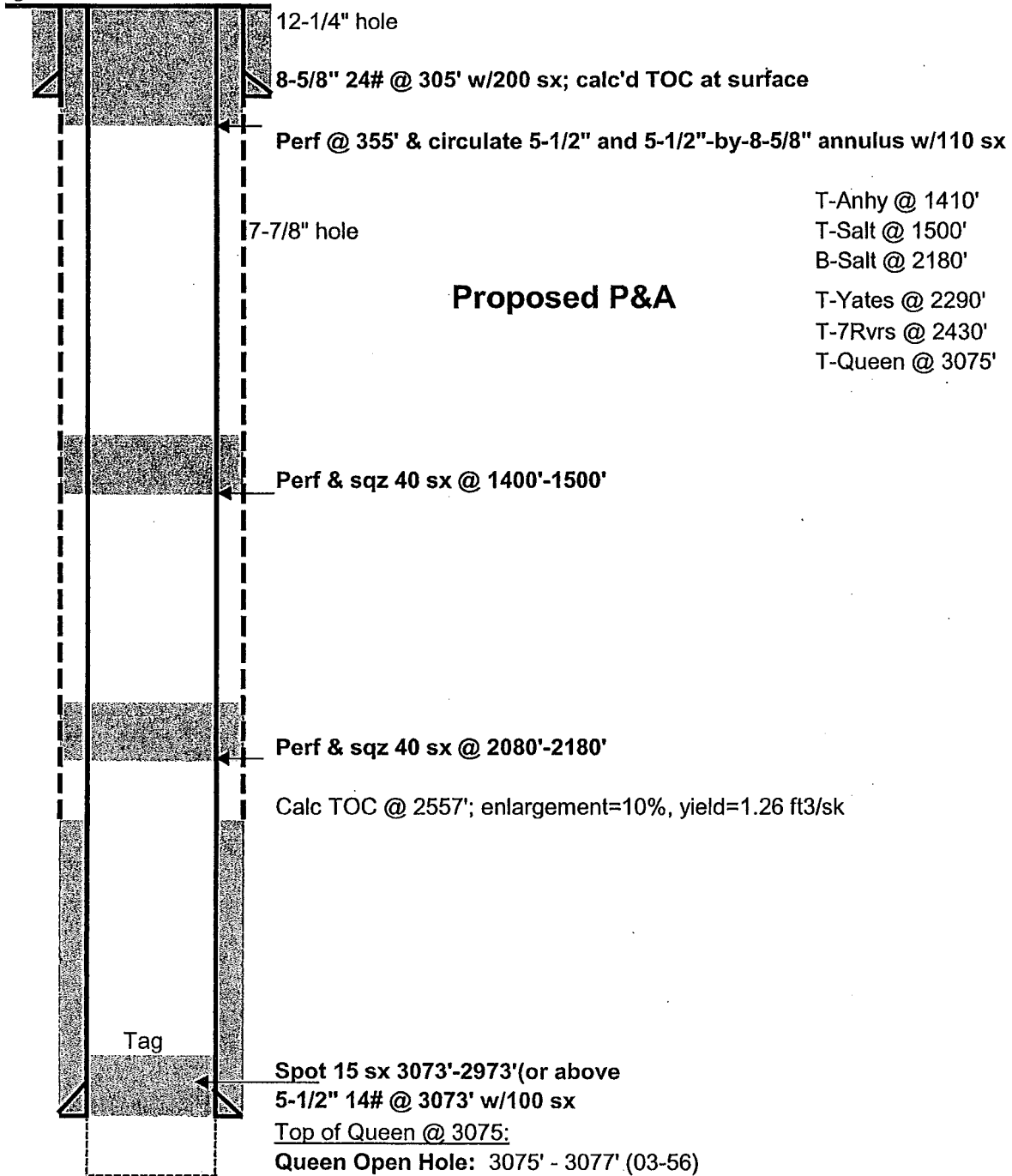
CELERO ENERGY

FIELD: Caprock
LEASE/UNIT: Rock Queen
COUNTY: Chaves

DATE: Dec. 08, 2010
BY: MWM
WELL: 89
STATE: New Mexico

Location: 1980' FSL & 660' FEL, Sec 36I, T13S, R31ECM
 SPUD: 03/56 COMP: 03/56
 CURRENT STATUS: Producer
 Original Well Name: State U #14

KB = 4,391'
GL = 4,382'
API = 30-005-00943



PBTD - 3077'
 TD - 3077'

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12-1/4" hole

8-5/8" 24# @ 305' w/200 sx, calc TOC at surface

7-7/8" hole

EXISTING

T-Anhy @ 1410'

T-Salt @ 1500'

B-Salt @ 2180'

T-Yates @ 2290'

T-7Rvrs @ 2430'

T-Queen @ 3075'

Calc TOC @ 2557'; enlargement=10%, yield=1.26 ft3/sk

5-1/2" 14# @ 3073'

cmt'd. w/ 100 sx (DNC)

Top of Queen @ 3075:

Queen Open Hole: 3075' - 3077' (03-56)

PBTD - 3077'
TD - 3077'