

UNITED STATES 1625 N. French Drive  
DEPARTMENT OF THE INTERIOR Hobbs, NM 88240  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007**RECEIVED**  
DEC 09 2010  
HOBBBS, NM

## SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well  
☐ Oil Well ☐ Gas Well ☒ Other2. Name of Operator  
Celero Energy II, LP3a. Address 3b. Phone No. (include area code)  
400 W. Illinois, Ste. 1601 Midland TX 79701 (432)686-1883

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

UL N, Sec 17, T14S, R31E  
660' FSL & 1982' FWL

5. Lease Serial No.

NM 03210

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

West Cap Queen Sand Unit #9

9. API Well No.

30-005-01095

10. Field and Pool, or Exploratory Area

Caprock; Queen

11. County or Parish, State

Chaves, NM

## 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input checked="" type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

10/11 - 10/15/10

Latch onto 2 7/8" OD tbg that is tied w/swedge to 4" csg. Unable to move 4" csg. Work w/ same 35K above wt of WS. Attempt to pump down csg. Pressured to 1400#. Unable to pump down 4" csg. Attempt to pump down 4" x 5 1/2" csg annulus. Load w/ 5 BFW. Continued to work to free 4" csg. Failed. Ran sinker bar inside of 4" csg & tag @ 200'. Pulled out & found salt on end of sinker bar. Tried w/ 5- 3/4" rods w/ mule shoe cut on btm rod to knock out salt bridge. Unable to make hole. Remove 2 7/8" tbg sub tied onto 4" FJ csg. Install x-over & tied short piece of 4 1/2" OD csg to the 4" OD csg string. NUBOP. TIH w/ 3 3/8" OD bit on 2 3/8" OD tbg WS. Tag salt @ 70'. Drl salt from 70' - 1,010'. TOH. Install an additional WH to control circ. between 4" csg & 5 1/2" csg. Drl out salt in 4" csg from 1,010' - 1,962' using produced wtr. Clean out salt from 1,962' to top of fish @ 2,345'. Attempt to pump down 2 3/8" tbg fish & pump fresh wtr between 4" x 5 1/2" csgs annulus. Pressured to 600#. Unable to pump fluid. TOH. TIH w/ tbg & 3 3/8" OD overshot shot. Latched onto fish @ 2,345'. Pickup 1" CS Hydril Upset tbg & 1 3/4" tapered mill. Ran to 2,345' & tag top of fish.

\* Continued on attached sheet

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

Lisa Hunt

Title Regulatory Analyst

Signature

Lisa Hunt

Date 10/27/2010

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by /S/ DAVID R. GLASS

PETROLEUM ENGINEER

Date DEC 02 2010

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

ROSWELL FIELD OFFICE

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

APPROVED AS TO PLUGGING OF THIS  
WELL BORE. LIABILITY UNDER BOND  
IS RETAINED UNTIL SURFACE RESTORATION  
IS COMPLETED.APPROVED FOR 6 MONTH PERIOD  
ENDING MAY 02 2011

## West Cap Queen Sand Unit #9 C-103 Continued

**10/18/10** - Lower mill to top of fish @ 2,345'. C/O salt inside of 2 3/8" tbg to 2,572'. Fell out of salt. Well started flowing @ an estimated 2-3 bpm. SITP=1000#. Left well flowing.

**10/19/10** - Flowed 1,400 BPW in 20 hrs. Pumped 7 BFW down 1" tbg @ 1,300# & 0.7 bpm. Moved tbg up & down. Made 200 BPW w/ flowing pressure of 50#. SITP = 500# pressure. Continue to flow well.

**10/20/10** - Flow 680 BPW last 24 hrs. Lower mill from 2,572' to 2,573', unable to go deeper. Circ down 1" tbg out 2 3/8" x 1" annulus w/ fresh wtr. TOH & LD 1" tbg w/ mill. Ran jet cutter & shot 2 3/8" tbg @ 2,573'. Shot twice, unable to pull 2 3/8" tbg fish (2,338' to 2,573'). Ran free pt. Found tbg fish stuck @ 2,573'. Tbg was free @ overshot @ 2,535' & stuck below overshot @ 2,538'. Pumped down 5 1/2" x 4" annulus w/ 50 BFW @ 1 1/2 bpm & 200#. Tied onto 1" x 2 3/8" annulus. Took 1700# @ 0.2 bpm to pump down. Pumped 50 BFW @ 1 1/2 bpm & 400#. Tied back onto 2 3/8" x 1" annulus & pumped 25 BFW @ 1/2 bpm & 500#.

**10/21/10** - SITP = 600#, SICP = 400#. Open well to test tank. Latched onto 2 3/8" OD tbg & attempt to TOH w/ 2 3/8" OD tbg fish. Failed to move. Pumped 16 BFW down 5 1/2" x 4" annulus @ 200# & 1.5 bpm. Attempt to pull tbg fish out of hole. Unable to move. Pumped fresh wtr down 2 3/8" x 4" annulus. Ran tbg puncher & perf 2 3/8" tbg fish @ 2,555'. Worked fish. Unable to move. Used tbg punch to perf 2 3/8" OD tbg fish @ 2,435'. Unable to move fish. Pumped FW down 5 1/2" x 4" annulus & down tbg to free 2 3/8" OD tbg fish. Failed to move fish. Release overshot on fish @ 2,345' & TOH w/ tbg work string & overshot. Latch onto 4" FJ csg. Unable to move, pulling 45K over string wt. Pumped down 5 1/2" x 4" annulus & down 4" csg w/FW to free 4" csg, failed. Ran free point tool. Found csg 90% free @ 996' & 100% stuck @ 1,146'. Attempt to pull 4" csg by pumping fresh wtr down the 4" csg & 5 1/2" x 4" annulus. Unable to free.

**10/22/10** - TIH w/ 2 3/8" OD tbg w/ 6- 3 1/8" OD DC's, 3 1/8" jars, 3 1/8" OD bumper sub & spear w/ grapple for 2 3/8" OD tbg. Latch onto fish @ 2,345', pulled 2,000# over weight & TOH. Recovered 2 3/8" OD fish (7 jts of tbg & 1- 20' piece of tbg). NDWH, re-installed BOP & latched onto 4" FJ csg. Worked w/ same pulling 45,000# over string weight. Unable to free. Re-ran free point. Found csg 95% free @ 900'. Backed off 4" csg w/ string shot @ 870'. Pulled csg up hole 6' & SD. Left well flowing to tank battery.

**10/25/10** - Start pulling 4" FJ csg. Pulled 7 1/2 jts (300') & csg hung up. Pulled 60K over weight & unable to pull free. Pumped 50 BFW down 4" x 5 1/2" annulus & 25 BFW down 4" csg. Unable to pull. Ran free point. Found end of csg @ 585'. Csg was free to 575'. Back off csg @ 543' leaving 1 jt in the hole. Pull & LD 14 jts for a total of 21 jts. Ran tbg, DC's, jars, bumper sub w/ spear & grapple for 4" csg ID. Unable to catch top of csg @ 543'. TOH.

**10/26/10** - TIH w/ 2 3/8" tbg & 3 3/8" bit. Wash off salt on top of 4" FJ csg @ 543'. Ran bit to 870' & wash salt out of top of 4" FJ csg from 870' to 933'. TOH w/ tbg & bit, standing back tbg. TIH w/ 2 7/8" OD tbg, 4- 3 1/8" OD DC's, 3 1/8" OD hydraulic jars, 3 1/8" OD bumper sub & spear w/ grapple to latch into 4" FJ csg @ 543'. Unable to get grapple to go inside of 4" csg to attempt to pull the one jt of 4" FJ csg out of hole. TOH, wait on another grapple. Re-ran tbg w/ same BHA. Latch onto the one jt of 4" FJ csg @ 543' (543' - 585'). Jar on same for 1 1/2 hrs, jarring 40,000# over string weight. Unable to free. Release spear & TOH w/ tbg & BHA. TIH w/ 2 3/8" OD & 3 3/8" bit. Ran to 2,573', circulated hole & TOH.

(\*) More to follow when work is completed.