

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

Form C-101  
June 16, 2008

RECEIVED

DEC 17 2010

HOBBSOCD

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

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> API Number 30 - 005 - 29167
<sup>3</sup> Property Code 303735	<sup>5</sup> Property Name ROCK QUEEN UNIT	<sup>6</sup> Well No. 706
<sup>9</sup> Proposed Pool 1 CAPROCK: QUEEN		<sup>10</sup> Proposed Pool 2

<sup>7</sup> Surface Location

UL or lot no. G	Section 34	Township 13 S	Range 31 E	Lot Idn	Feet from the 1478	North/South line North	Feet from the 1330	East/West line East	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 4414'
<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 01/03/2011

<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.

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Printed name:  
Bruce Woodard

Title:  
Operations Manager

E-mail Address:  
bwoodard@CeleroEnergy.com

Date:  
12/16/10

Phone:  
432-686-1883

OIL CONSERVATION DIVISION

Approved by:

Title:  
PETROLEUM ENGINEER

Approval Date:  
DEC 17 2010

Expiration Date:

Conditions of Approval Attached ☐

KZ 12/17/10

DISTRICT I  
1625 N. FRENCH DR., HOBBS, NM 88240

DISTRICT II  
1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III  
1000 RIO BRAZOS RD., AZTEC, NM 87410

DISTRICT IV  
11478 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION  
11478 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

RECEIVED

DEC 17 2010  
HOBBSOCD

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-005-29167	Pool Code 8559	Pool Name Caprock : Queen
Property Code 303735	Property Name ROCK QUEEN UNIT	Well Number 706
OGRID No. 247128	Operator Name CELERO ENERGY II LP	Elevation 4414'

Surface Location

UL or lot No. G	Section 34	Township 13-S	Range 31-E	Lot Idn	Feet from the 1478	North/South line NORTH	Feet from the 1330	East/West line EAST	County CHAVES
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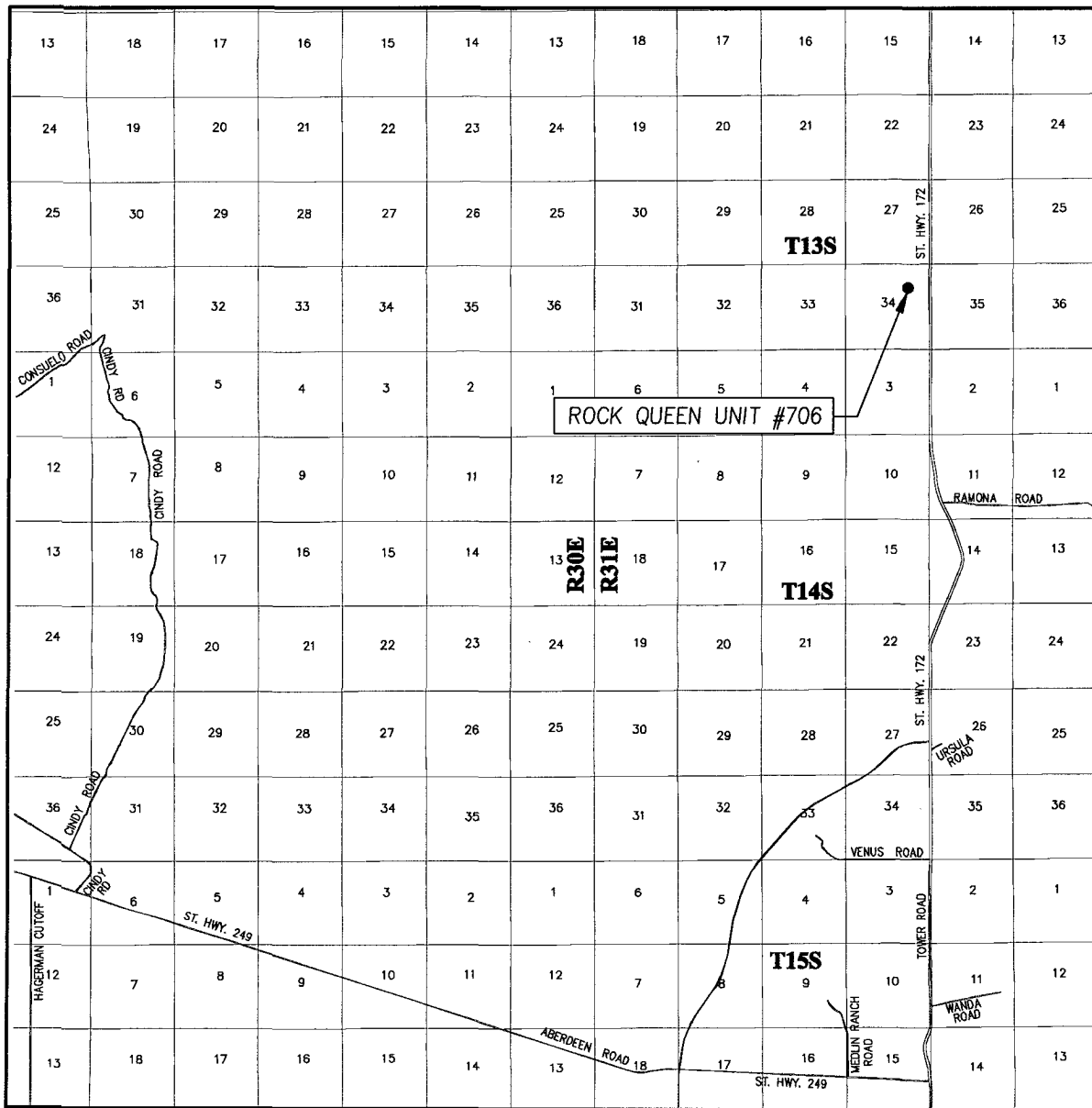
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>GEODETIC COORDINATES NAD 27 NME</p> <p>SURFACE LOCATION Y=782393.7 N X=661786.6 E</p> <p>LAT.=33.149725° N LONG.=103.804733° W</p>	<p>1478</p> <p>S.L. G</p> <p>1330'</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Lisa Hunt</i> 12/16/10 Signature Date</p> <p>Lisa Hunt Printed Name</p> <p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>NOVEMBER 13 2010 Date Surveyed Signature &amp; Seal of Professional Surveyor 3239 10.11.1705 Certification RONALD J. EIDSON 12641 3239</p>
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# VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 34 TWP. 13-S RGE. 31-E

SURVEY N.M.P.M.

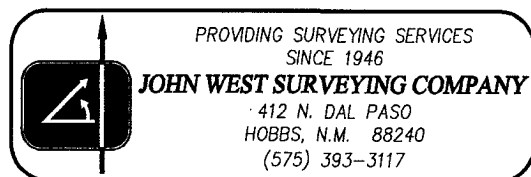
COUNTY CHAVES STATE NEW MEXICO

DESCRIPTION 1478' FNL & 1330' FEL

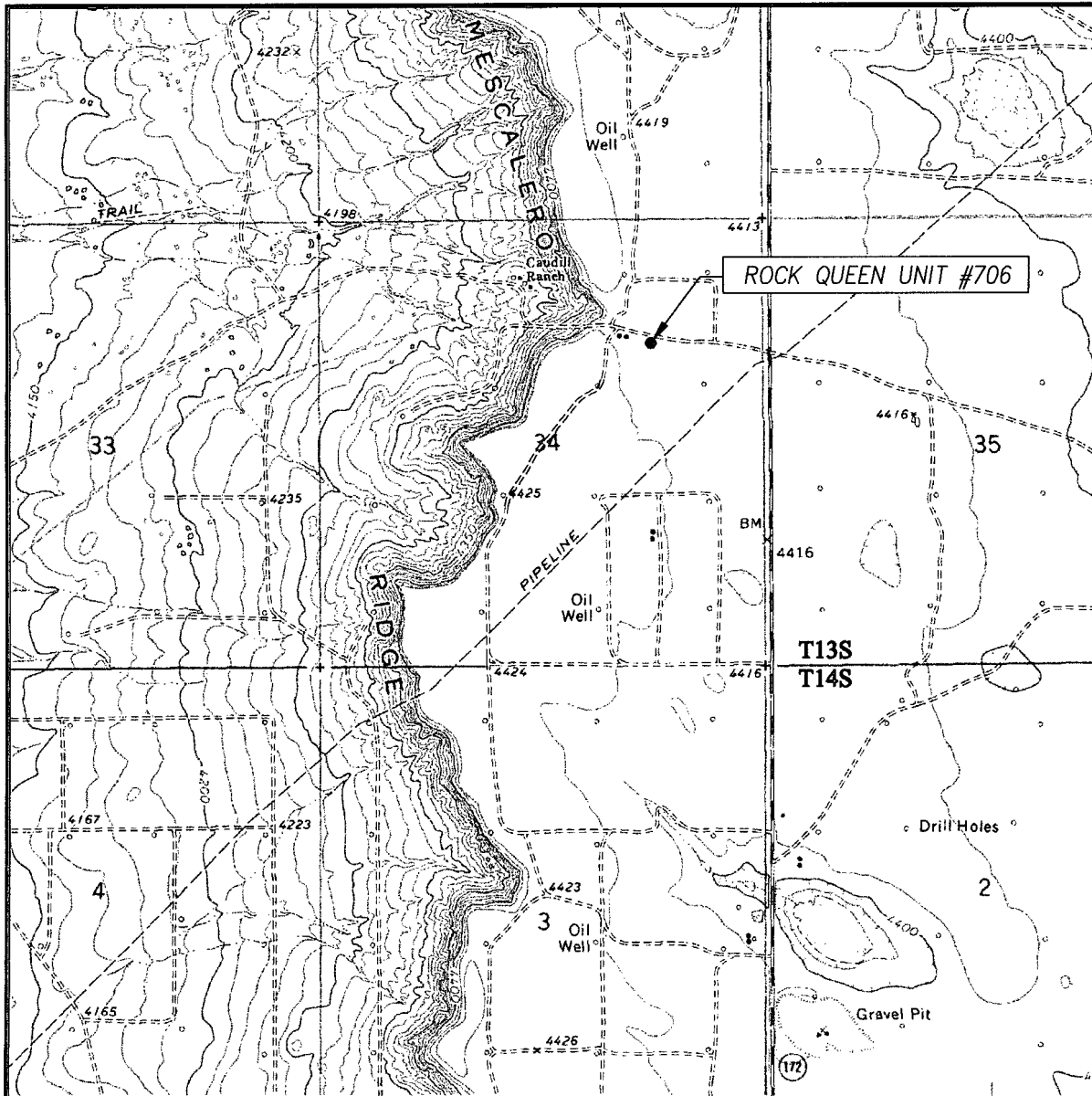
ELEVATION 4414'

OPERATOR CELERO ENERGY II LP

LEASE ROCK QUEEN UNIT



# LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:  
CAUDILL RANCH, N.M. - 10'

SEC. 34 TWP. 13-S RGE. 31-E

SURVEY \_\_\_\_\_ N.M.P.M.

COUNTY CHAVES STATE NEW MEXICO

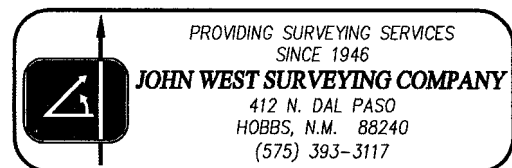
DESCRIPTION 1478' FNL & 1330' FEL

ELEVATION 4414'


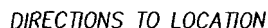
OPERATOR CELERO ENERGY II LP

LEASE ROCK QUEEN UNIT

U.S.G.S. TOPOGRAPHIC MAP  
CAUDILL RANCH, N.M.



## NEW MEXICO



PROVIDING SURVEYING SERVICES  
SINCE 1946  
**JOHN WEST SURVEYING COMPANY**  
412 N. DAL PASO  
HOBBS, N.M. 88240  
(575) 393-3117

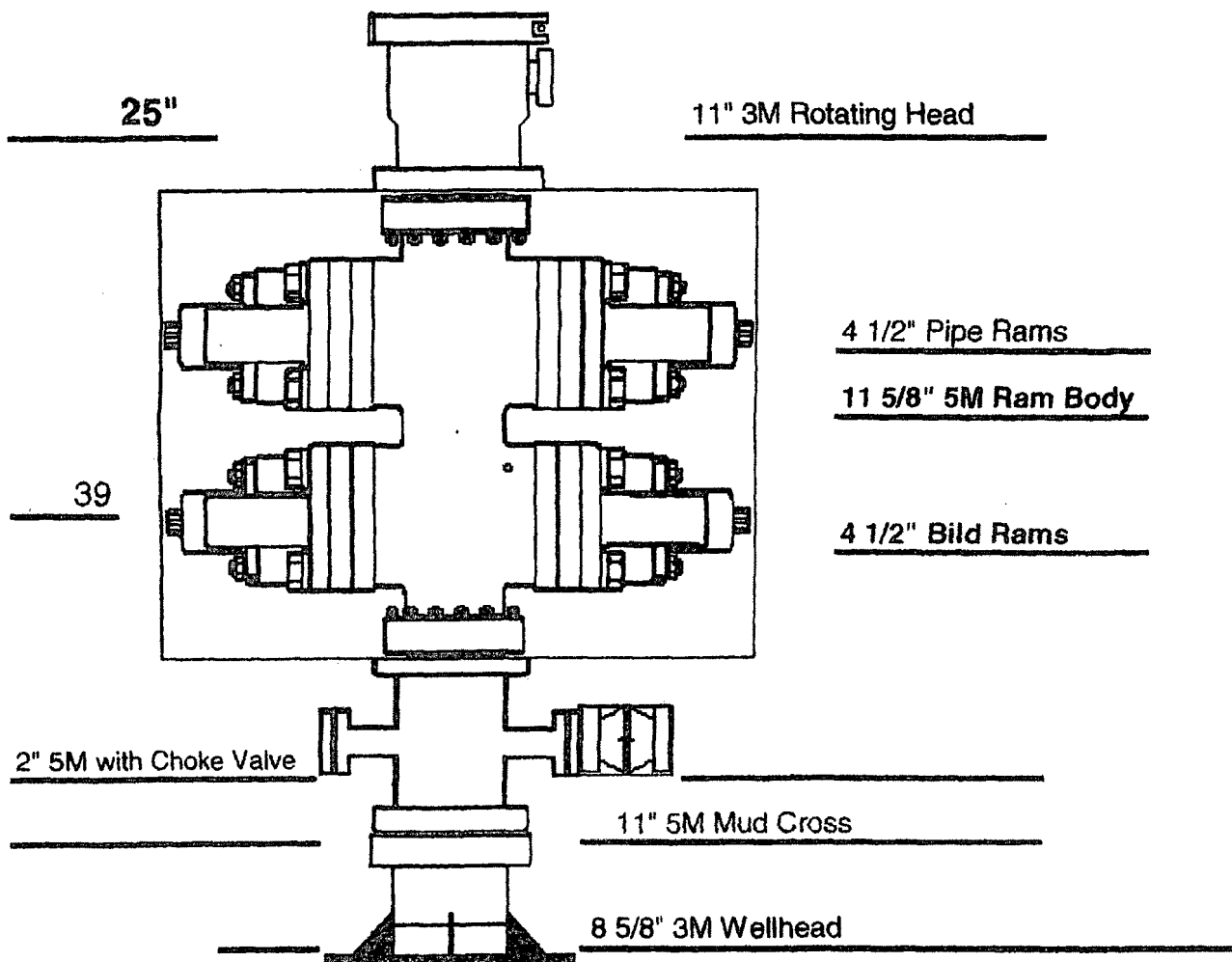


Survey Date: 11/13/10		Sheet 1 of 1 Sheets	
W.O. Number: 10.11.1703		Dr. By: DSS	Rev 1:
Date: 11/30/10	Rel. W.O.:	10111703	Scale: 1"=100'

# UDI RIG 201 Surface - BOP

Length

Description



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

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% CACL<sub>2</sub> + 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"

**RIISING STAR SERVICES****HOBBS, NM**

July 29, 2010  
CELERO ENERGY  
ROCK QUEEN PROJECT  
Job Type: 5 1/2" CASING INSIDE OF 7 7/8" HOLE

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

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**SACKS**

Lead 545 sks

175% Excess

Tall 135 sks

100% Excess

**CEMENT AND ADDITIVES**

Class C 50/50 + 10% Bentonite + 0.25% R-38 + 5% Salt (BWOW)

Class C 50/50 + 2% Bentonite + 0.25% R-38 + 5% Salt (BWOW)

	<u>Lead</u>	<u>Tall</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

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Total Sacks: 680

Total Ft3: 1429

Total H2O: 187.8 Bbls

Hole Size: 7 7/8"

Total Depth: 3100'

Casing Size: 5 1/2"

Casing Depth: 3100'

Type of Plug: TRP  
Size of Plug: 5 1/2"