

State of New Mexico  
Energy, Minerals and Natural Resources

RECEIVED

CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

DEC 17 2010

HOBBSOCD

WELL API NO.

30-005-00943

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil &amp; 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, LP

3. 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 Chaves

11. 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, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions, attach a diagram of proposed completion or recompletion.

12/8/10 - Ran csg inspection log from surf to 3,063'. Ran GR/CCL from 1,020' to 3,063'. TIH w/tbg & 5 1/2" tension pkr to test csg. Ran to 555' & leaked from 540# to 480# in 5 min. Above 500' the csg would hold 500#. TOH w/tbg & pkr. CWI. Prepare to P&A well.

12/10/10 - Lwr tbg to 3,073'. Circ hole w/prod wtr. Pump 20 sx of Class "C" cmt w/2% CaCl2 & spot in 5 1/2" csg through 2 3/8" OD tbg from 3,073' back to 2,894'. Raise tbg to 2,451' & WOC 3 hours. Lwr tbg & tag TOC @ 2,894'. TIH w/tbg & 5 1/2" tension pkr & set @ 1,965'. Perf 5 1/2" csg w/4 shots @ 2,180'. Attempt to pump into perfs @ 2,180' w/1300# pressure. Unable to pump through perfs into formation. TOH w/tbg & pkr. TIH w/open ended tbg to 2,247'. Pump 40 sx of Class "C" cmt w/2% CaCl2 & spot cmt in 5 1/2" csg from 2,247' back to 1,862'. Pull & raise tbg to 1,000' & WOC.

12/13/10 - WOC 63 hours, lwr tbg & tag TOC @ 1,905'. Perf 5 1/2" csg w/3 1/2" cased gun w/4- 23 gram charges @ 1,500'. TIH w/tbg & pkr. Set pkr @ 1,184'. Attempt to pump through 5 1/2" perfs @ 1,500'. Unable to pump into same w/1000# pressure. TOH w/tbg & pkr. TIH w/tbg & bull plugged perf nipple. Ran to 1,560'. Spot 25 sx of Class "C" cmt w/2% CaCl2 in 5 1/2" csg @ 1,560'. Raise tbg to 898'. WOC 2 1/2 hours. Lwr tbg & tag @ 1,314'. TOH w/tbg. Perf 5 1/2" csg w/3 1/2" cased gun w/4- 23 gram charges @ 355'. Ran tbg open ended to 442' to circ cmt to surface. Pump 53 sx of Class "C" cmt w/2% CaCl2 & circ cmt to surface out 2 3/8" x 5 1/2" annulus. Attempt to pump cmt through perfs @ 355' & circ out the 8 5/8" OD csg. Pressured to 350# @ 1/4 BPM & pressure continued to climb. Unable to pump through the perfs. TOH w/tbg. Tied onto 8 5/8" valve @ surface & pumped 10 sx of Class "C" cmt w/2% CaCl2 down 5 1/2" x 8 5/8" annulus. Displaced cmt @ 1/4 BPM @ 300#. NDBOP & 5 1/2" x 2 3/8" tbg head. RDMO. Cut off WH's & weld on dry hole marker. Well now P&A'd.

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

SIGNATURE Lisa Hunt TITLE Regulatory AnalystDATE 12/15/2010Type or print name Lisa HuntE-mail address: lhunt@celeroenergy.comPHONE: (432)686-1883

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APPROVED BY [Signature] TITLE STATE MGRDATE 12-20-10

Conditions of Approval (if any):