

RECEIVED  
JAN 20 2011  
HOBBS, 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 H, Sec17, T14S, R31E  
1982' FNL & 660' FEL

5. Lease Serial No.

NM03210

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 #4

9. API Well No.

30-005-01092

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 checked="" type="checkbox"/> Other Convert
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	to producer
	<input type="checkbox"/> Convert to Injection	<input 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.)

7/15-10/13/10 - Install new 5-1/2"-by-2-7/8" tubinghead. RIH w/4-3/4" bit and tag at 2551'. C/O to 2598'. Lost circ & bit stopped. RIH w/3-3/4" bit to 2658'. Run impression block to 2658'. RIH w/ 3-7/8" round-nose mill and mill to 2709' w/ returns starting at 2708'. Recovered paraffin, scale, and salt. POOH. RIH with pkr & test csg at 316' to 600# psi, 1620' w/500# psi, and 2557' w/490# psi. Pkr would not go below 2666'. RIH w/3-3/4" round-nose mill and mill from 2712'-2726'. POOH. RIH w/3-3/4" bit & tag at 2712'. C/O & drl hole to 2732'. POOH. RIH w/ 3-3/4" round nose mill and tag at 2729'. Mill out to 2742'. TOOH w/mill. RIH w/3-3/4" bit and tag at 2624'. C/O & drl to 2754' & bit quit. POOH. RIH w/3-3/4" round-nose mill & tag at 2624'. Rotate and fell through to 2742'. POOH. RIH w/3-3/4" bit. Tag at 2662' and rotate through to 2738' tag. Drl unsuccessfully at 2738' and POOH. RIH w/3-3/4" mill and mill unsuccessfully at 2738'. POOH. RIH w/3-3/4" bit and tag at 2754'. Drl from 2754'-2770' (PBTD). Lwr bit to 2768' and C/O to 2770'; drl 2' to 2772'. POOH. TIH w/ 2 3/8" OD tbg w/5 1/2" AD-1 tension pkr. Set pkr from 2,594-2,597'. Load & tested tbg-csg annulus to 500#. Held ok. Ran csg integrity test. Tested for 36 minutes from 530# to 510#. Test acceptable & witnessed by Eddie Fitzpatrick w/ the BLM. Original chart was taken by Eddie w/the BLM. Copy of chart is attached. SN from 2,652-53', bull plugged 2 3/8" x 4' perf nipple from 2,653-57'. EOT @ 2,657'. NDBOP. Ran 2" x 1 1/2" x 16' RWBC pump + 6- 1 1/2" sinker bars & 99- 3/4" x 25' steel rods w/ 1- 3' x 3/4" pony rod. Space out pump & clamp off rods. Well has been converted to a producer. Well is shut in & waiting on electricity.

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

Lisa Hunt

Title Regulatory Analyst

Signature

Lisa Hunt

Date 10/20/2010

PETROLEUM ENGINEER  
KJ

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

JAN 24 2011

Approved By

DAVID R. GLASS

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.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person to make any false, fictitious or fraudulent statements or representations as to any matter.

(Instructions on page 2)

Accepted For Record Only! Approval Subject To  
Returning Well To Continuous Production And  
Keeping Well On Continuous Production Or  
Plugging Well With A BLM Approved Plugging  
Program!

This test was witnessed by BLM & the original chart was taken at that time.

