Form 3160-4
(April 2004)

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

New Mexico Oil Conservation Division, District I
1625 N. French Drive
Hobbs, NM 88240

FORM APPROVED
OMB NO. 1004-0137
Expires: March 31, 2007

# WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No. NM03210

1a. Type of Well [X] Oil Well [ ] Gas Well [ ] Dry [ ] Other
b. Type of Completion [ ] New Well [X] Work Over [ ] Deepen [ ] Plug Back [ ] Diff. Resvr,.
Other Convert injector to producer

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and no.

2. Name of Operator
Celero Energy II, LP

8. Lease Name and Well No.
West Cap Queen Sand Unit 4

3. Address
400 W. Illinois, Ste. 1601 Midland TX 79701

3.a Phone No. *(Include area code)*
(432)686-1883

9. API Well No.
30-005-01092

4. Location of Well *(Report location clearly and in accordance with Federal requirements)**

At Surface 1982' FNL & 660' FEL

At top prod. interval reported below

At total depth

10. Field and Pool, or Exploratory
Caprock; Queen

11. Sec., T., R., M., on Block and Survey or Area Sec 17, T14S, R31E

12. County or Parish Chaves

13. State NM

14. Date Spudded

15. Date T.D. Reached

16. Date Completed [ ] D & A [ ] Ready to Prod.
10-13-2010

17. Elevations (DF, RKB, RT, GL)*
4134' KB

18. Total Depth: MD 2772'
TVD 2772'

19. Plug Back T.D.: MD
TVD

20. Depth Bridge Plug Set: MD
TVD

21. Type of Electric & Other Mechanical Logs Run (Submit copy of each)

22. Was well cored? [X] No [ ] Yes (Submit analysis)
Was DST run? [X] No [ ] Yes (Submit analysis)
Directional Survey? [X] No [ ] Yes (Submit copy)

23. Casing and Liner Record *(Report all strings set in well)*

| Hole Size | Size/Grade | Wt. (#/ft.) | Top (MD) | Bottom (MD) | Stage Cementer Depth | No. of Sks. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
|---|---|---|---|---|---|---|---|---|---|
| 12-3/4" | 8-5/8" J-55 | 24# | 0' | 171' | 171' | 175 sx | | Surf | |
| 7-7/8" | 5-1/2" J-55 | 14# | 0' | 2759' | | 100sx. | | +/-2080' | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

24. Tubing Record

| Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) |
|---|---|---|---|---|---|---|---|---|
| 2-3/8" | 2657' | 2597' | 5-1/2" | | | | | |

25. Producing Intervals

26. Perforation Record

| Formation | Top | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
|---|---|---|---|---|---|---|
| A) | | | 2758-2772' | | | Open Hole |
| B) | | | | | | |
| C) | | | | | | |
| D) | | | | | | |

27. Acid, Fracture, Treatment, Cement Sqeeze, Etc.

| Depth Interval | Amount and Type of Material |
|---|---|
| 2758-2772' | |
| | |
| | |
| | |

**A 24 Hour Production Test Is Required And The Well Status Will Be Changed From OSI To POW When Electricity Has Been Hooked Up And The Well Is Producing. This Information Must Be Reported On A Sundry Notice (Form 3160-5) To The BLM Roswell Field Office After Well Is Producing.**

28. Production - Interval A

| Date First Produced | Test Date | Hours Tested | Test Production → | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | Pumping |

| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate → | Oil BBL | Gas MCF | Water BBL | Gas : Oil Ratio | Well Status |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | | OSI<br>Shut in - Waiting on electricity |

Production - Interval B

| Date First Produced | Test Date | Hours Tested | Test Production → | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | |

| Choke Size | Tbg. Press. Flwg. | Csg. Press. | 24 Hr. Rate → | Oil BBL | Gas MCF | Water BBL | Gas : Oil Ratio | Well Status |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | | |

ACCEPTED AS OSI
APPROVED FOR 6 MONTH PERIOD
ENDING APR 13 2011

ACCEPTED FOR RECORD
/S/ DAVID R. GLASS
JAN 18 2011
DAVID R. GLASS
PETROLEUM ENGINEER

*(See Instructions and spaces for additional data on page 2)*

28b. Production - Interval C

| Date First Produced | Test Date | Hours Tested | Test Production → | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | |

| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate → | Oil BBL | Gas MCF | Water BBL | Gas : Oil Ratio | Well Status |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | | |

28c. Production - Interval D

| Date First Produced | Test Date | Hours Tested | Test Production → | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | |

| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate → | Oil BBL | Gas MCF | Water BBL | Gas : Oil Ratio | Well Status |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | | |

29. Disposition of Gas *(Sold, used for fuel, vented, etc.)*

30. Summary of Porous Zones (Include Aquifers):

Show all important zones or porsity and contents thereof: Cored intervals and all drill-stem tests, inlcuding depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

| Formation | Top | Bottom | Descriptions, Contents, etc. | Name | Top Meas. Depth |
|---|---|---|---|---|---|
| | | | | | |

32. Additional remarks (include plugging procedure):

When we get electric service and start pumping the well then I will send a C-104 at that time with a well test.

33. Indicate which itmes have been attached by placing a check in the appropriate boxes:

☐ Electrical/Mechanical Logs (1 full set req'd.) ☐ Geological Report ☐ DST Report ☐ Directional Survey

☐ Sundry Notice for plugging and cement verification ☐ Core Analysis ☐ Other

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name *(please print)* Lisa Hunt Title Regulatory Analyst

Signature Lisa Hunt Date 10/20/2010

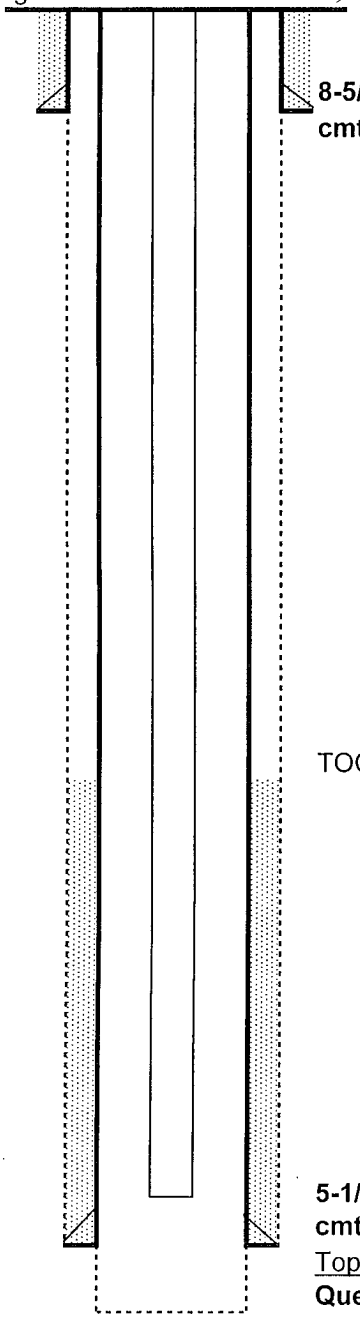
Title 18 U.S.C. Section 101 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States and false, fictitious or fradulent statements or representations as to any matter within its jurisdiction.

# CELERO ENERGY

| | | | |
|---|---|---|---|
| | | DATE: | Jul. 31, 2010 |
| FIELD: | Caprock | BY: | MWM |
| LEASE/UNIT: | West Cap Queen Sand Unit | WELL: | 4 |
| COUNTY: | Chaves | STATE: | New Mexico |

Location: 1980' FNL & 660' FEL, Sec 17H, T14S, R31ECM
SPUD: 8/55 COMP: 8/55
CURRENT STATUS: Injector
Original Well Name: Cleat #1

**KB = 4134'**
**GL =**
**API = 30-005-01092**



**8-5/8" 22.7# J-55 @ 170'**
**cmt'd. w/ 175 sx. TOC @ surface (calc).**

TOC @ 2080' +/- (calc)

**5-1/2" 14# @ 2758'**
**cmt'd. w/ 100 sx (DNC)**
Top of Queen @ 2736':
**Queen Open Hole:** 2758' - 2772' (7/10)

PBTD - 2772'
TD - 2772'