

Submit 1 Copy To Appropriate District  
Office  
District I  
1625 N. French Dr., Hobbs, NM 88201  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87401  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
October 13, 2009

RECEIVED

OIL CONSERVATION DIVISION

JAN 12 2011

1220 South St. Francis Dr.  
Santa Fe, NM 87505

HOBBSOCD

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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.)		WELL API NO. 30-025-00291 ✓
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> ✓
2. Name of Operator Celero Energy II, LP		6. State Oil & Gas Lease No. 303735
3. Address of Operator 400 W. Illinois, Ste. 1601 Midland, TX 79701		7. Lease Name or Unit Agreement Name Rock Queen Unit ✓
4. Well Location Unit Letter K : 1980 feet from the South line and 1980 feet from the West line Section 19 Township 13S Range 32E NMPM County Lea ✓		8. Well Number 4 /
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4383' KB		9. OGRID Number 247128 ✓
		10. Pool name or Wildcat Caprock; Queen ✓

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 ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: Convert TA'd well to monitor well ☒

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

To convert TA'd well to monitor well as per Order No. R-1541-B.

1. RIH with tbg.
2. Pull RBP.
3. Run back in hole with AD-1 plastic coated packer with 2 3/8" IPC tbg.
4. Notify OCD Hobbs office 24 hrs prior to perform required MIT test for 30 mins.

Per Underground Injection Control Program Manual  
11.6 C Packer shall be set within or less than 100  
feet of the uppermost injection perfs or open hole.

Condition of Approval: Notify OCD Hobbs  
office 24 hours prior of running MIT Test & Chart

Spud Date:

Rig Release Date:

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

SIGNATURE

*Lisa Hunt*

TITLE Regulatory Analyst

DATE 01/11/2011

Type or print name Lisa Hunt

E-mail address: lhunt@celeroenergy.com

PHONE: (432)686-1883

For State Use Only

APPROVED BY:

*[Signature]*

TITLE

*Staff MGR*

DATE

*1-13-2011*

Conditions of Approval (if any):