

October 13, 2009

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM
87505RECEIVED
OIL CONSERVATION DIVISIONJAN 26 2011
1220 South St. Francis Dr.
Santa Fe, NM 87505

HOBBSOCD

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.)		WELL API NO. 30-005-00871 /
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other Injector <input checked="" 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.
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 H : 660 feet from the East line and 1980 feet from the North line Section 26 Township 13S Range 31E NMPM County Chaves /		8. Well Number 42 /
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		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: ☐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.

1/13/11 - MIRU. LD 91 jts of 2 3/8" OD 4.7# 8rd EUE J-55 IPC tbg w/ turned down collars + 4" AS1-X nickle plated pkr w/ profile nipple & On/Off tool. Run 2 3/8" OD tbg WS w/ 3 3/8" OD bit. Tag fill @ 3,030'. C/O from 3,067' to 3,088'. Circ hole clean w/ produced wtr.

1/14/11 - TIH w/ 92 jts (2987') 2 3/8" OD 4.7# 8rd EUE J-55 IPC tbg w/ TDC & special thread lubricant plus 4" nickle plated AS1-X pkr w/ 1.5" profile nipple & on/off tool. Set pkr @ 2987'. Got off pkr w/ on/off tool, displace tbg-csg annulus w/ pkr fluid.

1/15/11 - Replace WH w/ 4 1/2" x 5000# WP x 2 3/8" flanged head w/ 2 1/16" x 5000# SS tbg valve w/ 2 3/8" x 6" SS nipples below & above valve plus nickle plated injection tee. NU to injection. RDMO.

1/19/11 - Ran OCD csg integrity test. Tested for 33 min. Starting pressure = 520# & ending pressure = 500#. Good test & witnessed by Maxey Brown w/ OCD. Original chart is attached.

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 01/24/2011

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 1-27-2011

Conditions of Approval (if any):

✓

CELESTO ENERGY
Rock QUEEN UNIT #42
H 26-135-318
30-005-00871

Post Workover Test
Start 520*
Final 500*
Time 36 min
Marty Brown
OCD

PER @ 3022'
T. PER @ 3057'


GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK

1/19/2011

BR 2221

RECEIVED

JAN 26 2011

HOBBSOCD

CRAIN #008
1000/96 min
CALIB 1/5/2011

NOON