

**New Mexico Oil Conservation Division, District I**  
**1625 N. French Drive**  
**Albuquerque, NM 88240**  
UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

**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.**

5. Lease Serial No.

LC-068474

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE – Other instructions on page 2.**

1. Type of Well

☒ Oil Well

☐ Gas Well

☐ Other

2. Name of Operator

Celero Energy II, LP

3a. Address

400 W. Illinois, Ste. 1601 Midland TX 79701

3b. Phone No. (include area code)

(432)686-1883

4. Location of Well (Footage, Sec., T/R..M., or Survey Description)

660' FSL & 1980' FEL

UL: O, Sec 3, T14S, R31E

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.

Drickey Queen Sand Unit #25

9. API Well No.

30-005-00963

10. Field and Pool or Exploratory Area

Caprock; Queen

11. Country or Parish, State

Chaves, NM

**12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA**

**TYPE OF SUBMISSION**

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

**TYPE OF ACTION**

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☒ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☐ Other

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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

- 1) Set CICR at 2828' and squeeze openhole with 150 to 350 sx Class C w/2% CaCl<sub>2</sub>,
- 2) Set whipstock at 2828', mill window and starter hole,
- 3) Run 4-3/4" bit and 2-degree motor. Slide drill 100 feet.
- 4) Run 4-3/4" and straight hole motor and drill to TD of 3090',
- 5) Run 11 jts (462') of 4" UFJ pipe and cement from 3090'-2628,
- 6) Drill out and pressure test liner and 5-1/2" casing above.
- 7) Log and perforate the Queen formation at roughly 3040'-3060'.
- 8) Run 2-3/8" IPC tubing and packer to 3000'. Leave well shut in until an injection permit is received.

**APPROVED FOR 3 MONTH PERIOD**  
**ENDING APR 19 2011**

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

Lisa Hunt

Title Regulatory Analyst

Signature

*Lisa Hunt*

Date 12/23/2010

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

**/S/ DAVID R. GLASS**

Title PETROLEUM ENGINEER

Date

**JAN 19 2011**

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. *EG 1-27-2011*

Office

Title 18 U.S.C. Section 1001 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 any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)