

Submit 1 Copy To Appropriate District
Office
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 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
October 13, 2009

RECEIVED

OIL CONSERVATION DIVISION

JAN 31 2010
1220 South St. Francis Dr.
Santa Fe, NM 87505

HOBBSUCD

WELL API NO. 30-005-29160
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Rock Queen Unit
8. Well Number 702
9. OGRID Number 247128
10. Pool name or Wildcat Caprock; Queen
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4390'

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.)	
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator Celero Energy II, LP	
3. Address of Operator 400 W. Illinois, Ste. 1601 Midland, TX 79701	
4. Well Location Unit Letter <u>C</u> <input checked="" type="checkbox"/> : 100 feet from the <u>North</u> line and <u>2628</u> feet from the <u>West</u> line Section <u>36</u> Township <u>13S</u> Range <u>31E</u> NMPM County <u>Chaves</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4390'	

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.

1/21/11 - Spud 11" hole @ 06:30 & drill to 393'. Circ, TOH & LD DP. Run 8 5/8" csg & cmt as follows: 9 jts 8 5/8" 24# J-55 tbg, 1 GS 1 jt, 1 FC (396') & 4 Cent. C/W 270 sx Class "C" cmt w/ 2% CACL, .25# CF, .25% R-38. Circulated 50 sx to pit. WOC. Cut & weld on WH. NUBOP & test. Drill 7 7/8" hole to 667'.

1/22 - 1/23/11 - Drld to 3133'. Circ. Run 5-1/2" csg as follows: 78 jts 5 1/2", 15.50, 3136' set at 3133'. Used 1 float shoe, 1 float collar & 20 centralizers. Pump cmt as follows: Lead 500 sx Class "C" cmt + 10% GEL + 5% Salt + .25% R-38. Tail 300 sx Class "C" cmt + 2% Gel + 5% Salt + .25% R-38. 61 sx to surf. NDBOP, set slips, NU tbg head, clean pits & release rig @ 2:30 P.M. on 1-23-11.

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 01/27/2011

Type or print name Lisa Hunt

E-mail address: lhunt@celeroenergy.com

PHONE: (432)686-1883

For State Use Only

APPROVED BY:

[Signature]

TITLE

PETROLEUM ENGINEER

DATE

FEB 03 2011

Conditions of Approval (if any):