

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

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

**RECEIVED**  
FEB 21 2011

**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.*

Lease Serial No.  
**NM-03927**  
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' FWL  
(N) Sec 34, T13S, R31E**

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

8. Well Name and No.

**Drickey Queen Sand Unit #9**

9. API Well No.

**30-005-00900**

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	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <b>Return to injection</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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 recomplete 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 recompletion 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) MIRU. PU workstring and make a bit run to TD at 3048'. Drill new hole to 3075'.
- 2) RU Wireline and run a GR/CCL/CNL from TD to 2000'.
- 2) RIH with test/treating packer and test production casing to minimum 500 psi.
- 3) Acidize the openhole interval from 3033'-3075' with 1500 gals 7-1/2% HCL using gelled brinewater and salt for diversion.
- 4) Recover load by swabbing.
- 5) RIH with plastic-coated injection packer and tubing. Set packer, perform casing MIT, and return well to injection.

Copy sent to OCD - Hobbs for like approval.

**APPROVED FOR 90 DAY MONTH PERIOD**  
**ENDING MAY 16 2011**

**Approval Subject To Returning  
Well To Continuous Injection And  
Keeping Well On Continuous  
Injection!**

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

**Lisa Hunt**

Title **Regulatory Analyst**

Signature

*Lisa Hunt*

Date **02/09/2011**

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

Approved by

**/S/ DAVID R. GLASS**

Title **PETROLEUM ENGINEER**

Date

**FEB 15 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.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

and States any false,

(Instructions on page 2)

**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.**

*CoH*