

Office

Energy, Minerals and Natural Resources

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 87505

87505

RECEIVED

FEB 25 2011

HOBBSSUCU

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-00292

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil &amp; Gas Lease No.

303735

7. Lease Name or Unit Agreement Name

Rock Queen Unit

8. Well Number

5

9. OGRID Number

247128

10. Pool name or Wildcat

Caprock; Queen

## 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 ☐ Gas Well ☐ Other Monitor well ☒

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 M : 660 feet from the S line and 660 feet from the W line  
Section 19 Township 13S Range 32E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

## 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: Convert TA'd well to monitor well ☒

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.

1/20/11 - MIRU. NDWH &amp; NUBOP. TIH w/ 2 7/8" tbg WS &amp; retrieving head for RBP. Wash off sand, latch onto RBP, pull &amp; LD 2 7/8" tbg WS &amp; RBP. Start back in hole w/ 2 3/8" OD 4.7# 8rd EUE J-55 tbg w/ 7" PC AD-1 pkr.

1/21/11 - Finish running 2 3/8" OD 4.7# 8rd EUE J-55 IPC tbg. Ran 93 jts = 3001' w/ 7" plastic coated AD-1 tension pkr. With pkr swinging @ 3001' displace annulus w/ pkr fluid. Set pkr @ 3001' w/ 12 pts of tension. (OH 3073' - 3084'). NDBOP &amp; NUWH.

2/22/11 - MIRU. Pulled additional tension on pkr. Pulled a total of 30K on 7" pkr. Ran OCD required MIT test. Tested for 30 mins at 500# and held ok. Original chart is attached. Well now a monitor well as per Order No. R-1541-B.

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 HuntTITLE Regulatory AnalystDATE 02/24/2011Type or print name Lisa HuntE-mail address: lhunt@celeroenergy.comPHONE: (432)686-1883

For State Use Only

APPROVED BY [Signature]TITLE State RepDATE 2-28-2011

Conditions of Approval (if any):

Crain Hot Oil

