

RECEIVED

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HOBBSDUC

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-005-00905

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Rock Queen Unit

8. Well Number 103

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 Injector

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 H : 1980 feet from the N line and 660 feet from the E line

Section 34 Township 13S Range 31E NMPM County Chaves

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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS. ☐ P AND A ☒
 CASING/CEMENT JOB ☐

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.

2/7/11 - TIH O/E w/ 89 jts of 2 7/8" WS @ 2792'. Pump 65 sx Class "C" cmt w/ 2% CaCl2. Lead w/ 2 BFW, 10 bbls brine mud & displace w/ 2 BFW, 10 bbls brine mud. Pulled 12 stds & reversed out. WOC 3 hrs. TIH to tag & did not tag.

2/8/11 - TIH to 2792'. Pump 65 sx Class "C" cmt w/ 2% CaCl2. Lead w/ 2 BFW, 10 bbls brine mud, 2 BFW spacer, displace w/ 9 bbls. TOH 14 stds (28 jts) @ 1921'. WOC 3 hrs (2nd plug). TIH & tag @ 2769'. Cmt came up 23'. Pump 50 sx Class "C" cmt w/ 2% CaCl2. Lead w/ 2 BFW, 10 bbls brine mud, 2 BFW spacer. Displace w/ 11 bbls & let cmt fall. TOH. Wait to tag (3rd plug).

2/9/11 - TIH w/ 2 7/8" WS to tag plug. Tag @ 2807'.

2/14/11 - Tbg w/ BP perf nipple located 2805', a few ft above TOC @ 2807'. Pumped 20 bbls of 10# brine mud & attempt to spot a balanced plug cmt plug containing 100 sx of Class "C" cmt w/ 2% CaCl2. Had good circ when cmt was mixed. Displacement of the cmt stopped circ. Displaced 4 bbls short of balancing a cmt plug due to the loss of circ. Raise tbg to 1161'. WOC.

* Continued on attached sheet

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 03/04/2011

Type or print name Lisa Hunt

E-mail address: lhunt@celeroenergy.com

PHONE: (432)686-1883

For State Use Only

APPROVED BY:

[Signature]

TITLE

STATE REG

DATE

3-9-2011

Conditions of Approval (if any):

Rock Queen Unit #103 – C103 continued

2/15/11 - TIH & tag w/ 85 jts @ 2678'. Pump 25 bbls brine mud, 5 BFW spacer, 50 sx Class "C" cmt w/ 2% CaCl₂ & 3# sd/sx, followed w/ 2 BFW spacer. Displaced w/ 7.5 brine mud. TOH w/ 24 jts 2 7/8" WS to 1915'. WOC 2 hrs. Well did circ. TIH w/ 83 jts WS. Tag @ 2615'. Set pkr @ 1984'. Pump 3 bbls pressured up to 500#, held pressure for 15 min. Test okay. TIH w/ WL but could not get through pkr. TOH w/pkr.

2/16/11 - TIH w/ 62 jts. Set pkr @ 1954'. Tag cmt @ 1984'. Pull pkr up to 1229' & re-set. Shoot 4 holes @ 1460'. Tried to break circ pumped 3 bbls. Well pressured up to 1200#. Could not break down perfs. Per Maxey Brown w/ NMOCD, we will spot 25 sx plug 50' below perfs @ 1515'. LD pkr & PU 2 7/8" perf sub & TIH w/ 48 jts @ 1515'. Pump 10 bbls brine mud, 5 BFW spacer 25 sx Class "C" cmt w/ 2% CaCl₂, displace w/ 2 BFW & 4.6 bbls mud. TOC should be @ 1237'. Per Maxey Brown w/ NMOCD, call btm plug good & go ahead & perf @ 1460'. WOC 4 hrs before tagging plugs.

2/17/11 - TIH w/ 43 jts & perf sub. Tag @ 1352'. PU AD-1 pkr & TIH @ 1256' to test plug. Test to 500#. Held 15 min. No loss of pressure. Perf 4 holes @ 377'.

2/19/11 - TIH w/ 2 7/8" WS @ 377'. Break down perfs w/ 900#. Pump 20 bbls @ 1.5 bpm @ 350 psi. Did not circ through annulus. TIH w/14 jts @ 439'. Spot 50 sx Class C 2% CACL. Psi while pumping @ 2 bpm 200#. Displace w/ 1 bbl 150 psi. TOH w/ 14 jts.

✱ **2/21/11** - TIH w/ 2 jts. Tagged 49'. Cut off WH's. Set P&A markers & reclaim location.