

Submit 1 Copy To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88203
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
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HOBBSOCD

CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-05112
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Lee Whitman B
8. Well Number 007
9. OGRID Number 247128
10. Pool name or Wildcat Denton; Devonian
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3825' DF

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 O : 330 feet from the S line and 1650 feet from the E line Section 23 Township 14S Range 37E NMPM County Lea	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3825' DF	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: Clean out & acdz <input checked="" type="checkbox"/>	

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.

1/29/11 - Clean out to PBTD @ 12,650'. POH w/ all tbg & bailer.

2/4/11 - Run CIL from 12,000' to surface. Run bond log from 12,000' to 7880'.

2/7/11 - RIH w/ 2 7/8" tbg, set 7" Cst pkr @ 12,400'. Load csg w/ 125 BFW. Treat well w/ 5000 gal of 15% NEFE HCL w/ max iron control, scale inhibitor & biocide.

2/8/11 - PU Wood Group sub pump as follows: 1- Smartguard sensor, 1- TR5 120 Hp 2165V 33A motor, re-rated to 160 Hp 2405V 39A, 2- TR5 Std AFL MWL seals, 1- TR4 MAG3 gas separator, 3- TD850 pumps - 509 stages, 1- 2 3/8" Std SN, x-over, 4 jts of 2 7/8" 6.5# L-80 8rd tbg.

2/10/11 - RIH w/ 117 jts of 2 7/8" 6.5# L-80 8rd tbg (blue band- 3722.26'), 191 jts of 2 7/8" 6.5# L-80 8rd tbg (yellow band - 6102.96'), x-over, 82 jts of 2 7/8" 7.90# PH-6 tbg (2508.84'), splice lower pigtail into new #4 flat lead cable, land donut into seaboard WH. WIR - 102,000. NDBOP, build WH.

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 03/07/2011

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

MAR 15 2011

Conditions of Approval (if any):