

State of New Mexico
Energy, Minerals and Natural Resources

RECEIVED

APR 08 2011

HOBBSOCD

CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-05214

5. Indicate Type of Lease

STATE ☐FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

T D Pope 36

8. Well Number

6

9. OGRID Number

247128

10. Pool name or Wildcat

Denton: Devonian

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 ☐

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 D : 660 feet from the North line and 330 feet from the West line
Section 36 Township 14S Range 37E 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 ☐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.

4/07 - RIH with 3-1/8" csg guns and perf 2 JSPF from 12104' to 12128', 12148' to 12178', 12216' to 12246' and 12325' to 12413' (352 holes total).

6/12 - 8/6/10 - Ran CBL & TOC @ 8705' & BOC @ 10,050'. Csg leaks @ 1080-1740'. Sqzd w/150 sx Class C w/6% gel & 2% CaC12 plus 102 sx Class C w/2% CaC12. Fell out of cmt @ 1440'. Csg leaks @ 7484-8754'. Sqzd w/200 sx Class C w/6% gel. Set TAC @ 11,920'.

1/12 - 1/17/11 - POOH w/tbg. Unset TAC. PU 1-jt 2 7/8" tbg, x-over, 6" OD spiral mill, x-over, 2- 3 1/2" DC's, x-over, 6 Std 2 7/8" tbg, tag @ 440'. Mill to 445'. TIH to 31 jts in @ 1,034'. POH w/ tbg & DC's. RIH w/ x-over, 2nd 6" mill, x-over, 379 1/2 jts tbg to 12,104'. RIH w/ 5.75 OD gauge ring & junk basket to 12,070'. RIH w/ 7" CIBP w/ Carbide slips. Tie into CBL dated 6/12/10. Set CIBP @ 12,030'. RIH & dump bail 10' cmt

* 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

TITLE Regulatory Analyst

DATE 03/08/2011

Type or print name Lisa Hunt

E-mail address: lhunt@celeroenergy.com

PHONE: (432)686-1883

For State Use Only

APPROVED BY:

TITLE

State Rep

DATE

4-11-2011

Conditions of Approval (if any):

1/18/11 - TIH w/ 379 jts. Tag @ 12,012' w/ 6 pts, raise tbg to 11,997'. Pump FW w/ soap, 380 bbls gone, Pump 3.5 BPM @ 480# psi. Tbg psi broke back to 100# psi, csg on slight vacuum, pumped a total of 520 bbls. Never broke circ. RIH & tag @ 12,029' w/ 380 jts + 2' w/ 6 pts. Raise tbg to 11,997'. Close BOP & tbg. Csg has slight blow, shoot fluid level, 9784' csg, 9998' tbg. Spot 2 sx sand on CIBP.

1/19/11 - RIH w/ 7" CIBP 10,000# differential, tie into CBL dated 6-12-10, CIBP @ 11,965'. POH w/ setting tool, FL @ 9500'. Dump bail 15' cmt on CIBP @ 11,965'. RIH w/ 7" HD pkr, 342 jts 2 7/8" tbg to 10,880'. Leave pkr swinging.

1/20/11 - TIH w/ pkr & 374 jts in hole, set pkr @ 11,894'. RU on tbg, load w/ 52 bbls, psi up on CIBP to 500# psi, 15 increments to 3000# psi, no bleed off in 30 min. Release pkr & pump fresh soapy wtr @ 2.5 BPM to break circ. Broke circ w/ 350 bbls gone. Recovered 15 bbls oil, pumped a total of 520 bbls. POH w/tbg & pkr.

1/25/11 -RIH filling up every 20 jts to 7000' then filled up every 10 jts. Ran 213 jts of 5 1/2" ULT-FJ. Liner present depth 8969'.

1/26/11 - Continue PU 5 1/2" ULT-FJ, TD 11,943'. Csg. breakdown: 20# surface-1226.83' (29jts) (20# Ext.coated 1226.83'-1746.47'), 20# 1746.47'-4012.54' (54jts), (20# x/o, 20# box 17# pin), 17# 4012.54'-9057.58' (20# x/o, 17# box 20# pin), 20# Ext.coated 9057.58'-9624.34' (20# x/o, 20# box 17# pin), 17# 9624.57'-11,033.15' (34jts), (20# x/o, 20# pin 17# box), 20# 11,033.15'-11,924.57' (21 jts), (shoe @ 11941.50' w/ k.b.), float collar @ 11853.68'. Circ btms up, 348 bbls. Lead 225 sx class starbond "C" + .1% C-51+.5% FL-10+.65%C-11+.25%C- 45+2%Salt+.25%R-38+.25%C-20. Tail 175 sx 50/50/2"H"+2%Gel+.25%C-12 +.2%C-11+3%Salt+.25%R-38. Lead wt.12.5, 10.02 gal./sx. Tailwt. 14.20, 5.81 gal/sx. WOC. TOC 5900'.

1/27/11 - NDBOP, set slips, cut off, NU. Tag float collar @ 11,950'.

1/28/11 - Drl out float collar, shoe & cmt. Circ. to clean. Lost returns after drlg cmt to 11,965'. Pre mix mud, pumped 900 bbls w/ 2 sweeps of low loss, and total of 4 sweeps. Could not get returns. Build volume to new mud specs, 45 vis, 30#/bbl, 8.6 - 9.6 weight.

1/29/11 - Pump 200 bbls of mud down BS. SD for 1 hr. Pumped 950 bbls of mud down tbg w/ 12 polyseal sweeps, 4 sweeps of low loss, still no returns. SD to let mud work. TIH to tag & try to circ, Tag @ 11,968'. Still no returns. Drl to 12,030'.

1/31/11 - Mix LCM 150 bbls, pump DP cap w/ FW. SD 2 hrs. Pump pill #2, wait 2 hrs. Try & break circ & drl CIBP 1/4 - 0 returns, lost approx 210 bbls in 2.5 hrs. Pump 3rd pill, clear cap w/ FW. SD 2 hrs. Try & break circ, 0 returns. Drl to 12,462'.

2/4/11 - Pump 150 bbls of wtr down w/ no returns. Jetting well @ 100 scf per hr, 375# psi on drill pipe. Jetting well @ 100,000 scf per hr w/ no returns.

2/5/11 - RIH to 9816', pumped N2 @ 1 MCF per min, 500# psi on DP. Good returns for 1 1/2 hrs. RIH to 10,845', pumped N2 @ 1 MCF per min, 650# psi on DP w/ good returns. Jetting on well @ 1 MCF per min w/ returns dropping off.

2/6/11 - Bit @ 9865', pump 60,000 SCF per hr, 1/4 ret, bleed DP down. Got back a total of 8 bbls. TIH w/ 32 stds. Bit @ 11,865', pump nitrogen @ 1000 SCF per min, 60,000 per hr, total 35 bbls back. Bleed down DP. TIH w/ 7 stds, bit @ 12,462'. Install inline string float valve. Bring nitrogen to surface, 1500# psi on DP. Inline string valve did not hold, bled down tbg.

2/7/11 - Install float valve @ 12,462', bring nitrogen to surface. Drill & C/O from 12,462'-12,665' SCF from 1000-1600 per min returns staying 35-40 bbls per hr. Stop jetting nitrogen, bleed down DP.

2/9/11 - Bring nitrogen to surface @ 1000 SCF a min, took approximately 350,000 SCF total @ 12,462'.

2/10/11 - Bring nitrogen to surface @ 12,632', 1100 SCF/min, 49 bbls recovered. Jetting & milling from 12,632' to 12,681', 1100-1200 SCF average of 33 bbl/hr recovered. Mill hanging up. POH to 12,462'. TIH to top of window. Tag @ 12,530', 1300 SCF, 30-35 bbl/hr recovery. Jet & mill to 12,667'. Was not able to get back to 12,681'.

2/11/11 - Spot 500 gal of 15% HCL. Flushed lines w/ 13 bbls of brine, displace w/ nitrogen. Pulled up 25', wait for 15 min for acid to work. Began nitrogen @ 1300 SCF/hr 105 RPM. Hole dragging, no returns. Jet & mill w/ nitrogen from 12,672' to 12,674'. Lost nitrogen pressure & regained no returns. Continued pumping nitrogen & wait on live oil. Spot 120 bbls of oil & then fluid drill putting 4-8 pts on mill rotating @ 60-105 RPM. Mill from 12,674' to 77'.

2/12/11 - TOH w/ 80 stds. Total of 160 stds & a single left 83 jts in hole (2607'). Top of fish @ 10,069'. TIH w/ 4 5/8" overshot & 3 7/8" grapple w/ pack off. Latch on fish @ 10,069', pulled 90,000 over string wt.

2/13/11 - Run free point 10,132', 100% free. 12,625' taking wt but 100% free. Mill @ 12,674', back off @ 10,132'.

2/15- 2/21/11 - Drl from 12646' to 12807'.

2/22/11 - Circ. Pump acid in 3 - 500 gal stages.

3/3/11 - ND MV, NUBOP. RIH w/ 5 1/2" TS bridge plug, 245 jts 2 7/8" 6.5# L-80 8rd tbg. Set TS bridge plug @ 8000'.

3/4/11 - RIH w/ GR/CCL/CBL, log from 1520' to 700'. TOC @ 1030'. RIH w/ overshot & tbg, latch onto TS bridge plug, release BP.

3/11/11 - Acdz 5 1/2" 17# & 20# csg. Acdz Devonian perms @ 12,104' - 12,413' & OH KOP 12,474' w/ 60,000 gals of 15% gelled HCL acid using 100- 7/8" 1.3 SP GR Bio balls & 7,500# Coarse Rock Salt as a diverter in 3 stages of 2,500# blocks mixed 1# per/gal in 10# brine. Max = 1890 psi, Avg = 1295 psi, Max rate = 35.5 BPM, Avg rate = 25.3 BPM, ISIP = vacuum.

3/18/11 - RIH w/ a total of 378 jts of 2 7/8" tbg, set 2 7/8" x 5 1/2" Model B TAC w/ carbide slips (45K shear), 2 7/8" x 2.32 L-80 stinger @ 11,900'. POH w/ all tbg.

3/23/11 - PU Wood Group sub pump as follows: 1- Smartguard sensor, 2- TR4 120 Hp 1295V 59A motors re-rated to 180 Hp 1505V 79A, 2- TR4 98L seals, 2- TR4 RGS intakes, 1- TD Grinder CMP pump - 8 stages, 6- TD 1750 pumps - 658 stages

1- 2 3/8" Std SN, x-over, 289 jts of 2 7/8" 6.5# L-80 8rd tbg (9168.90'), x-over, 82 jts of 2 7/8" 7.90# PH-6 tbg (2508.12'). Splice lower pigtail into new #2 flat lead cable, land donut into seaboard WH. WIR - 110,000.

3/24/11 - Build new WH & tie in flowline. Check rotation, start pump up @ 58 Hz, pumped up in 30 min. RDMO. Return well to production.