

RECEIVED**New Mexico Oil Conservation Division, District I****1625 N. French Drive****Hobbs, NM 88240**

Form 3160-5

(August 2007)

UNITED STATES

DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

FORM APPROVED

OMB No. 1004-0137

Expires: July 31, 2010

APR 07 2011**HOBBSDUC****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.**

5. Lease Serial No.

~~10062470~~**NM-120355**

6. If 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 & 660' FEL
Sec 34, T13S, R31E (P)**

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

8. Well Name and No.

Federal V #1

9. API Well No.

30-005-00910

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

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ Other **Return to****injection**

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.)

Celero Energy II, LP sent a sundry on 2/18/11 requesting to change the name of this well from Federal V # 1 to Drickey Queen Sand Unit # 901. As of today, we do not know if this has been approved yet.

1. Clean out to TD @ 3068'.

2. Acidize.

3. Run packer & tbq.

4. Circulate packer fluid.

5. Perform MIT.

6. Return well to injection pending approval of NMOCD.

**APPROVED FOR 3 MONTH PERIOD
ENDING JUN 30 2011**

**SUBJECT TO
LIKE APPROVAL
BY NMOCD**

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

Lisa Hunt

Title Regulatory Analyst

Signature

Lisa Hunt

Date 03/16/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/S/ DAVID R. GLASS

Title

Date

MAR 30 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 person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)