

RECEIVED

OIL CONSERVATION DIVISION

APR 13 2011 1220 South St. Francis Dr.

HOBBS, NM 87505

HOBBSD

WELL API NO.

30-025-05127

5. Indicate Type of Lease

STATE ☐FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Buckley B

8. Well Number

4

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 F : 3310 feet from the N line and 1650 feet from the W line
Section 25 Township 14S Range 37E NMPM County Lea

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

3819'

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: Cmt sqze ☒

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.

1/21/11 - RIH to 6331', spot 2 sx sand. POH w/ pkr. RIH w/ 5 1/2" cmt retainer, 180 jts of 2 7/8" tbg to 5826'. Pump 40 BFW through retainer, set retainer @ 5826', psi 5 1/2" csg to 500# psi, break circ out Bradenhead w/ 13 bbls, pump total of 30 BFW, pump 15 bbls 10# salt mud, 45 Vis, displace w/ 25 BFW to hole @ 6087'. Close Bradenhead, displace w/ 7.5 BFW, hesitating to 1000# psi, open Bradenhead, break circ, mix 325 sx Class "C" 4% gel 3/10% fluid loss. Last 50 sx mixed 2% CaCl2 & 13.5 ppg, 1.69 yield, 8.9 gal p/sx wtr, displace w/ 30 BFW getting 50% returns to pit. SD. Close Bradenhead, wash up pumps & lines, begin hesitation squeeze obtained 1500# psi squeeze w/ 31.5 bbls flushed, sting out of retainer, reverse circ w/ 50 bbls. Reversed 3 bbls cmt. RD.

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 04/08/2011

Type or print name Lisa Hunt

E-mail address: lhunt@celeroenergy.com

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For State Use Only

APPROVED BY:

[Signature]

TITLE

PETROLEUM ENGINEER

DATE

APR 14 2011

Conditions of Approval (if any):