

Form C-105 July 17, 2008

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

1. WELL API NO. 30-005-29156

2. Type of Lease [X] STATE [ ] FEE [ ] FED/INDIAN

3. State Oil & Gas Lease No.

4. Reason for filing: [X] COMPLETION REPORT [X] C-144 CLOSURE ATTACHMENT

5. Lease Name or Unit Agreement Name Rock Queen Unit

6. Well Number: 311

7. Type of Completion: [X] NEW WELL [ ] WORKOVER [ ] DEEPENING [ ] PLUGBACK [ ] DIFFERENT RESERVOIR [ ] OTHER

8. Name of Operator Celero Energy II, LP

9. OGRID 247128

10. Address of Operator 400 W. Illinois, Ste. 1601 Midland, TX 79701

11. Pool name or Wildcat Caprock; Queen

12. Location Unit Ltr Section Township Range Lot Feet from the N/S Line Feet from the E/W Line County

Surface: P 24 13S 31E 420 S 930 E Chaves

BH:

13. Date Spudded 12/15/2010 14. Date T.D. Reached 12/20/2010 15. Date Rig Released 12/20/2010 16. Date Completed (Ready to Produce) 04/07/2011 17. Elevations (DF and RKB, RT, GR, etc.) 4384'

18. Total Measured Depth of Well 3131' 19. Plug Back Measured Depth 20. Was Directional Survey Made? Yes 21. Type Electric and Other Logs Run CN GR/CCL

22. Producing Interval(s), of this completion - Top, Bottom, Name 3044-48', 3051-65'

23. CASING RECORD (Report all strings set in well)

| CASING SIZE | WEIGHT LB./FT. | DEPTH SET | HOLE SIZE | CEMENTING RECORD | AMOUNT PULLED |
|-------------|----------------|-----------|-----------|------------------|---------------|
| 8 5/8"      | 24#            | 342'      | 11"       | 270 sx           | 166 sx circ   |
| 5 1/2"      | 15.5#          | 3131'     | 7 7/8"    | 800 sx           | 220 sx circ   |

24. LINER RECORD 25. TUBING RECORD

| SIZE | TOP | BOTTOM | SACKS CEMENT | SCREEN | SIZE   | DEPTH SET | PACKER SET |
|------|-----|--------|--------------|--------|--------|-----------|------------|
|      |     |        |              |        | 2 3/8" | 3010'     | 3010'      |

26. Perforation record (interval, size, and number) 3044-48' (2 SPF) 3051-65' (2 SPF)

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED 3044-48', 3051-65' Acdz w/2000 gal of 7.5% NEFE acid

28. PRODUCTION

| Date First Production | Production Method (Flowing, gas lift, pumping - Size and type pump) | Well Status (Prod. or Shut-in) |
|-----------------------|---|--------------------------------|
|                       |   | Water injection                |

| Date of Test | Hours Tested | Choke Size | Prod'n For Test Period | Oil - Bbl | Gas - MCF | Water - Bbl. | Gas - Oil Ratio |
|--------------|--------------|------------|------------------------|-----------|-----------|--------------|-----------------|
|              |              |            |                        |           |           |              |                 |

| Flow Tubing Press. | Casing Pressure | Calculated 24-Hour Rate | Oil - Bbl. | Gas - MCF | Water - Bbl. | Oil Gravity - API - (Corr.) |
|--------------------|-----------------|-------------------------|------------|-----------|--------------|-----------------------------|
|                    |                 |                         |            |           |              |                             |

29. Disposition of Gas (Sold, used for fuel, vented, etc.) This is a CO2/water injection well 30. Test Witnessed By

31. List Attachments C103, MIT chart, Record of Inclination, C144EZ, C104, log

32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit.

33. If an on-site burial was used at the well, report the exact location of the on-site burial:

Latitude Longitude NAD 1927 1983

I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature Lisa Hunt Printed Name Lisa Hunt Title Regulatory Analyst Date 04/13/2011

E-mail Address lhunt@celeroenergy.com

APR 27 2011

## INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well and not later than 60 days after completion of closure. When submitted as a completion report, this shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 11, 12 and 26-31 shall be reported for each zone.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

| Southeastern New Mexico |                  | Northwestern New Mexico |                  |
|-------------------------|------------------|-------------------------|------------------|
| T. Anhy                 | T. Canyon        | T. Ojo Alamo            | T. Penn A"       |
| T. Salt                 | T. Strawn        | T. Kirtland             | T. Penn. "B"     |
| B. Salt                 | T. Atoka         | T. Fruitland            | T. Penn. "C"     |
| T. Yates 2306'          | T. Miss          | T. Pictured Cliffs      | T. Penn. "D"     |
| T. 7 Rivers 2419'       | T. Devonian      | T. Cliff House          | T. Leadville     |
| T. Queen 3072'          | T. Silurian      | T. Menefee              | T. Madison       |
| T. Grayburg             | T. Montoya       | T. Point Lookout        | T. Elbert        |
| T. San Andres           | T. Simpson       | T. Mancos               | T. McCracken     |
| T. Glorieta             | T. McKee         | T. Gallup               | T. Ignacio Otzte |
| T. Paddock              | T. Ellenburger   | Base Greenhorn          | T. Granite       |
| T. Blinebry             | T. Gr. Wash      | T. Dakota               |                  |
| T. Tubb                 | T. Delaware Sand | T. Morrison             |                  |
| T. Drinkard             | T. Bone Springs  | T. Todilto              |                  |
| T. Abo                  | T.               | T. Entrada              |                  |
| T. Wolfcamp             | T.               | T. Wingate              |                  |
| T. Penn                 | T.               | T. Chinle               |                  |
| T. Cisco (Bough C)      | T.               | T. Permian              |                  |

## OIL OR GAS SANDS OR ZONES

|                         |                         |
|-------------------------|-------------------------|
| No. 1, from.....to..... | No. 3, from.....to..... |
| No. 2, from.....to..... | No. 4, from.....to..... |

## IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

|                  |         |           |
|------------------|---------|-----------|
| No. 1, from..... | to..... | feet..... |
| No. 2, from..... | to..... | feet..... |
| No. 3, from..... | to..... | feet..... |

## LITHOLOGY RECORD (Attach additional sheet if necessary)

| From | To | Thickness<br>In Feet |  | Lithology |
|------|----|----------------------|--|-----------|
|      |    |                      |  |           |