

Submit 1 Copy To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
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
RECEIVED
OIL CONSERVATION DIVISION
APR 07 2011
1220 South St. Francis Dr.
Santa Fe, NM 87505
HOBBSD

Form C-103
October 13, 2009

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.)		WELL API NO. 30-005-29159
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other Injection <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Celero Energy II, LP		6. State Oil & Gas Lease No.
3. Address of Operator 400 W. Illinois, Ste. 1601 Midland, TX 79701		7. Lease Name or Unit Agreement Name Rock Queen Unit
4. Well Location Unit Letter D : 100 feet from the North line and 1309 feet from the West line Section 36 Township 13S Range 31E NMPM County Chaves		8. Well Number 701
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4393' GL		9. OGRID Number 247128
		10. Pool name or Wildcat Caprock; Queen

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: Well completion ☒

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.

3/23 - 3/25/11 - NDWH & NU 3K Hydraulic BOP. TIH w/ 30 jts of 2 7/8" OD tbg WS & 4 3/4" bit. Ran to 948'. TIH w/ 2 7/8" OD tbg w/ 4 3/4" bit. Tag @ 3077'. Circ hole clean. Ran GR/CCL/CNL from 2000' - 3077'. Perf 5 1/2" csg w/ 3 1/8" cased gun, 2 SPF, 120° phasing 0.40" hole from 3057' - 3071'; 15' & 30 holes. TIH w/ 2 7/8" tbg WS w/ 5 1/2" AD-1 pkr. Ran to 2982'. Load tbg-csg annulus & place 200# on same. Attempt to break down perfs 3057'-71' w/ wtr. Pressured up to 2000# taking fluid @ 1/4 BPM w/ pressure climbing. Release pkr, lwr to 3077'. Spot 2 bbls of acid over perfs 3057'-71'. Reset pkr @ 2920'. Pumped 20 bbls of acid (830 gal) down tbg @ 1 BPM from 1630# - 1810# to perfs followed w/ 10 BPW @ 1 BPM & 1715# pressure. Increased pressure & rate to 4.5 BPM & 1995# pressure. Pumped the remaining acid (1086 gal) of 7 1/2% NEFE acid & 40- 7/8" ball sealers. Flushed w/ 20BPW, no overflush (note all acid was 7 1/2% NEFE acid). Treating pressures: 300#; Avg pressure = 2130#; rate = 4.7 BPM (on last 1086 gal); ISIP = 1675#; 5 min = 1555#; 10 min = 1503#; 15 min = 1460#; TLTR = 100 bbls. Open well to test tank. Flow 1/2 hr & made 7 BLW. Swab 3 hrs & recovered 120 BLW. SFL - surface; EFL = 1000' FS. Recovered all load fluid + 27 BFW. No shows.

* Continued on attached sheet

Spud Date:

Rig Release Date:

WFX-883

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 04/04/2011

Type or print name Lisa Hunt E-mail address: lhunt@celeroenergy.com PHONE: (432)686-1883

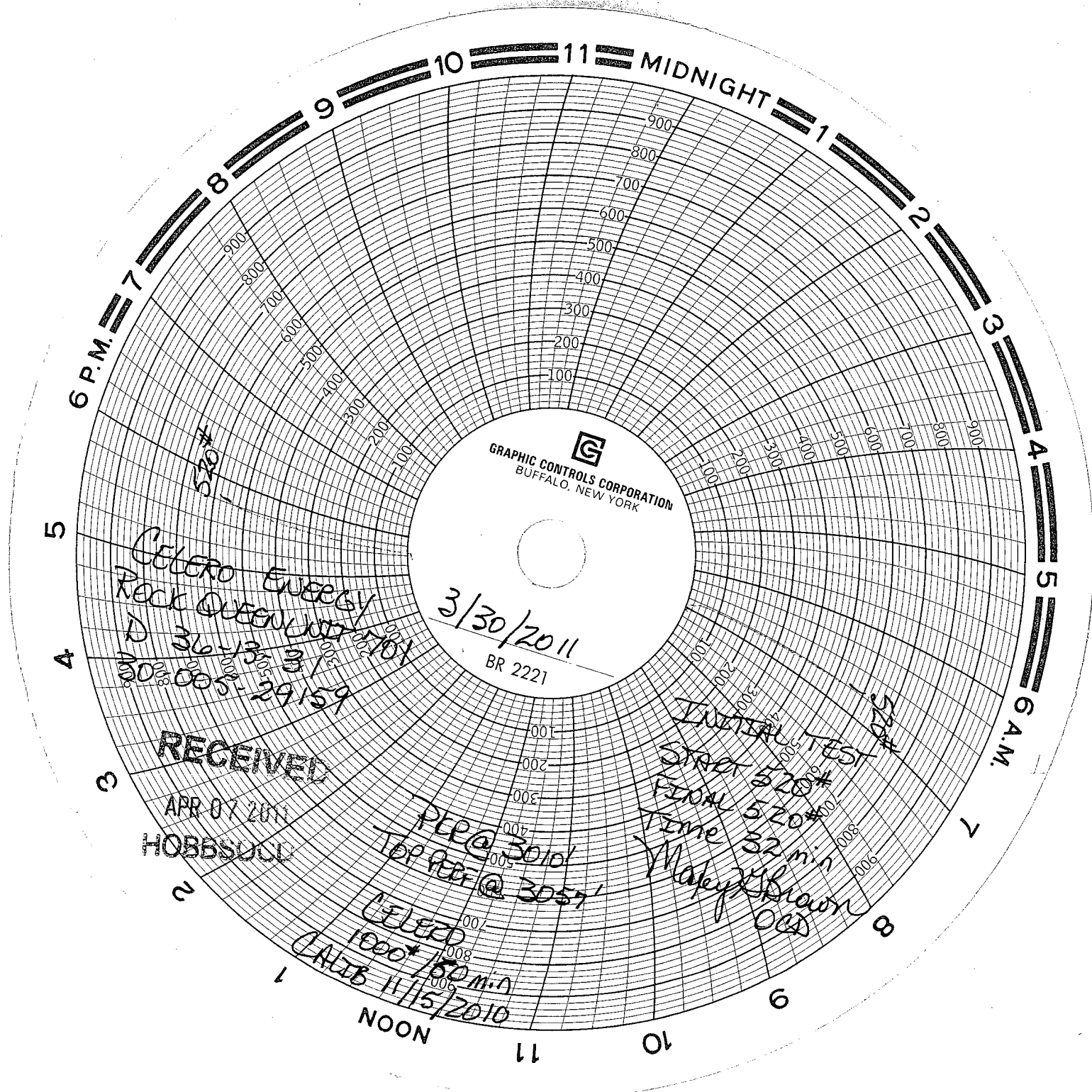
For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE APR 27 2011
Conditions of Approval (if any):

Rock Queen Unit #701 – C103 continued

3/28/11 - Ran swab & tag fluid @ 650' FS. Release pkr, lwr through perfs 3057-71' & knocked off ball sealers. TOH, LD 2 7/8" tbg WS w/ pkr. TIH w/ 93 jts (3010') of 2 3/8" OD 4.7# 8rd EUE J-55 IPC tbg w/ Hunting's special thread lubricant + 5 1/2" AS1-X nickel plated pkr w/ 1.5" F profile nipple & on/off tool. Set pkr @ 3010'. Release from pkr, circ pkr fluid, latch back onto pkr, NDBOP, pulled 15 pts of tension on pkr. NU 7 1/16" x 3K slip type flanged tbg head w/ 2 1/16" 5K SS tbg valve & nickel plated injection tee. Connect for injection. Test tbg-csg annulus w/ 550# for 30 min & held okay.

3/30/11 – Ran MIT test. Test for 32 min. Held 520# w/ no pressure loss. MIT witnessed by Maxey Brown w/ OCD. Original chart is attached. Well ready for injection as per Order No. R-1541-A.




GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK

3/30/2011

BR 2221

CELERO ENERGY
RECK QUEEN
D 36-13-37
30% 005-29159

RECEIVED

APR 07 2011
HOBBSULL

PER @ 3010/
TOP PER @ 3057

CELEED
1000* 60 min
CALIB 11/15/2010

INITIAL TEST #
STRA 520#
FZAL 520#
Time 32 min
Wakyl Brown
OED