

RECEIVED
FEB 25 2011
HOBBSOCD

CONSERVATION DIVISION

South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-005-29149

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Rock Queen Unit

8. Well Number 305

9. OGRID Number

247128

10. Pool name or Wildcat

Caprock; Queen

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 Injection

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 : 580 feet from the N line and 720 feet from the W line
Section 26 Township 13S Range 31E NMPM County Chaves

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

4418' GR

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: 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.

1/26/11 - Ran GR/CNL from 2000' to 3088'. Perf 5 1/2" csg w/ 4" cased gun, 19 gram charges, 2 SPF, 0 degree phasing, 0.46" hole from 3052 to 66' = 15' & 30 holes. TIH w/ 2 7/8" "A", 6.5# 8rd EUE J-55 tbg WS w/ 5 1/2" AD-1 tension pkr. Set pkr @ 2945'. Place 400# on annulus. Acidz perfs 3052'-66' w/ 2000 gals of 7 1/2% NEFE acid + 40- 7/8", 1.3 SG bsall sealers & flushed w/ 20 BFW, no overflush. TBD pressure = 1160#, treating pressures: max = 3000#, avg = 1250# @ 5.0 BPM. ISIP = 805#, 5 min = 377#, 10 min = 330# & 15 min = 290#. TLTR = 88 bbls. Release pkr.

1/31/11 - Perf 5 1/2" OD w/ 4" cased gun, 19 gram charges, 0 degree phasing, 2 SPF, 0.46" hole from 3043-47'; 5' & 10 holes. TIH w/ 2 7/8" OD tbg & 5 1/2" Model AD-1 tension pkr. Ran & set w/ 20 pts tension @ 2971'. Treated perfs 3043-47' & 3052-66' w/ 500 gal of 7 1/2% NEFE acid & 36- 7/8" ball sealers as follows: Pumped 20 BPW w/ 30 ball sealers followed w/ 500 gal of acid w/ 6- 7/8" ball sealers. Flushed to btm perf. No overflush. Treating pressures: max = 1070#, min = 300#, avg = 920# @ 3.0 BPM. ISIP = 660#, 5 min = 354#, 10 min = 304# & 15 min = 285#. TLTR = 72 bbls. Release pkr.

* Continued on attached sheet

Spud Date:

Rig Release Date:

WFX-880

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 02/24/2011

Type or print name Lisa Hunt

E-mail address: lhunt@celeroenergy.com

PHONE: (432)686-1883

For State Use Only

APPROVED BY:



TITLE

PETROLEUM ENGINEER

DATE

APR 27 2011

Conditions of Approval (if any):

Rock Queen Unit # 305 – C103 Continued

2/4/11 - TIH w/ 93 jts (3009') of 2 3/8" OD 4.7# 8rd EUE J-55 IPC tbg w/ Hunting's special thread lubricant plus 5 1/2" nickel plated AS1-X pkr w/ 1.5" "F" profile nipple & on/off tool. Ran & set @ 3009'. Release from pkr w/ on/off tool. Circ pkr fluid, latched back onto pkr (set @ 3015'), set 4K compression, test annulus to 500# for 25 min & held okay. NDBOP & NU 7 1/16" x 3K flanged WH w/ 5K SS tbg valve w/ 2 3/8" EUE threaded outlet & 1" outlet for wtr/gas injection. Well now ready for injection as per Order R-1541-A.

2/5/11 – Connect to inject. RDMO. Well now ready for injection as per Order R-1541-A.

2/16/11 – Ran OCD required MIT test. Tested to 500# & held for 30 min. Tested okay. Approval was given by Maxey Brown w/ OCD to run test. Original chart is attached.

