

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

Form C-103
 October 13, 2009

RECEIVED
MAR 02 2011
HOBSOCD

CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

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. 30-005-29150
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 <u>B</u> : <u>810</u> feet from the <u>N</u> line and <u>1990</u> feet from the <u>E</u> line Section <u>26</u> Township <u>13S</u> Range <u>31E</u> NMPM County <u>Chaves</u>		8. Well Number <u>306</u> 9. OGRID Number <u>247128</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4407' GR		10. Pool name or Wildcat Caprock; Queen <i>KSO</i>

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.

1/26/11 - Ran GR/CNL from 2000'-3119'. Perf 5 1/2" csg w/4" cased gun, 19 gram charges, 2 SPF, 0 deg phasing & 0.46' holes fr 3063-77', 15' & 30 holes & fr 3054-58'; 5' & 10 holes.
 2/5/11 - TIH w/ 2 7/8" OD tbg w/ 5 1/2" AD-1 tension pkr. Ran & set @ 2948'. Load & test annulus to 400#. Pump 5 BPW & broke down perfs. Acdz 5 1/2" csg perfs from 3054' to 3077' w/2000 gal of 7 1/2% NEFE acid + 60- 7/8" ball sealers. Flushed w/ 20 BPW, no overflush. Break down pressure 860#, treating pressure max = 3000#, min = 750#, avg = 1500# @ 3.2 to 4.5 BPM. ISIP = 245#, 5 min = 64#, 10 min = vac. TLTR = 92 bbls. Swab for 4 hrs, made 94 bbls fluid, 2 bbls over load. SFL = 500' FS, EFL = 1000' FS.
 2/7/11 - Ran swab & tag fluid @ 750'. Pulled same. No shows. Release pkr, lower to 3085' & knocked off ball sealers. LD tbg w/ pkr. TIH w/ 93 jts (3007') of 2 3/8" OD 4.7# 8rd EUE IPC tbg w/ Hunting's special thread lubricant + 5 1/2" nickel plated pkr w/ 1.5" F profile nipple & on/off tool. Set pkr @ 3007'.
 2/8/11 - Circ pkr fluid & latch onto pkr @ 3007'. Test tbg-csg annulus to 550# for 30 min. Tested okay. NDBOP, BU 7 1/16" x 3000# companion flange w/ 2 1/16", 5K, valve w/ 2- 2 3/8" SS nipples on top & btm of valve & nickel plated injection tee. Pulled 12 pts tension on pkr. Well now ready for injection as per Order No. R-1541-A.
 2/16/11 - Ran OCD required MIT test. Test to 515# for 30 mins. Held okay. Approval was given by Maxey Brown w/OCD to run test. Original chart is attached.

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 02/28/2011

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):

