

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

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

WELL API NO. 30-005-00932
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Rock Queen Unit
8. Well Number 91
9. OGRID Number 247128
10. Pool name or Wildcat Caprock; Queen
11. Elevation (Show whether DR, RKB, RT, GR, etc.)

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 ☒ **HOBBS OCD**

2. Name of Operator Celero Energy II, LP **MAY 16 2011**

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

4. Well Location **RECEIVED**
Unit Letter L : 1980 feet from the C line and 660 feet from the W line
Section 36 Township 13S Range 31E NMPM County Chaves

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: ☐

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.

5/3 -5/13/11 - Release pkr, pull & LD 86 jts of IPC tbg w/ pkr. Ran to 2773' & tag fill. Lwr bit from 2773' - 2784' & tag fish. Circ hole clean. TOH. Ran to 2684' & fish pushed DH to 2875'. Had no recovery. TIH w/ tbg, 2- 3 1/8" DC's, 2 jts of 4 1/2" WP & 4 1/2" x 4 3/4" cutrite shoe. Ran to 2715'. BHA would not go deeper. TIH w/ spear to catch fish @ 2875'. No recovery. TIH w/ cutrite shoe. Tag @ 2507'. Tag @ 2507'. Mill & rotate to 2515'. Ran & tag fish @ 2872'. Circ clean. Ran CIL FS to 2855'. Ran GR/CCL/CBL from 2855' - 2150'. TOC @ 2270'. Tag @ 2871'. TIH w/ spear. Tag @ 2871'. TOH. No recovery. Latched onto fish @ 2871'. Recovered part of Model AD-1 pkr, the slips & top cone. TIH w/ spear. Tag @ 2872', pushed fish to 2932'. TOH. No recovery. Tag @ 2932' & pushed fish to 2936'. TOH. No recovery. Lost grapple in hole. TIH w/ cutrite shoe. Ran to 2754'. Recovered some formation. Latch onto fish @ 2936'. Attempt to recover fish. TOH. No recovery. Rotate through spot @ 2754'. Wipe out tight spot @ 2834' & lower to 2874'. Recover some formation. TIH w/ tbg & 4 3/4" watermelon mill. Tag @ 2835'. Mill & wipe out tight spot. Lower mill & wipe out a tight spot @ 2876'. Lower mill to TOF @ 2940'. TOH. TIH w/ cutrite shoe. Tag @ 2939'. Mill to 2942'. Stopped milling w/ no torque. Latch onto fish @ 2940'. No recovery. TIH w/ tbg WS, 6- 3 1/8" DC's, 3 1/8" hydraulic jars, 3 1/8" BS & 4 3/4" x 2.47' cutrite shoe w/ 4 1/2" x 6' shoe extension. Ran to 2788'. Unable to get to fish @ 2940'. TOH. TIH w/ grapple to latch onto fish @ 2940'. Unable to go past 2788'. TOH.

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 05/16/2011

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 MAY 16 2011

Conditions of Approval (if any):