

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. 30-005-00935
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. 303375
7. Lease Name or Unit Agreement Name Rock Queen Unit
8. Well Number 90
9. OGRID Number 247128
10. Pool name or Wildcat Caprock; Queen
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4382' GR

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 <input type="checkbox"/> Gas Well <input type="checkbox"/> Other Injection <input checked="" type="checkbox"/>	
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 <u>K</u> : 1980 feet from the <u>S</u> line and 1980 feet from the <u>W</u> line Section <u>36</u> Township <u>13S</u> Range <u>31E</u> NMPM County <u>Chaves</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4382' 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 ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

OTHER: Convert to injection ☒

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.

4/12/11 - Remove production equipment. Circ hole w/ FW. TIH w/ tbg WS & 4 3/4" bit. Tag @ 3065'. C/O from 3065' to TD of 3080'. TOH. Ran CIL from surface to 3030'. Ran GR/CCL/CBL from 2400' - 3070'. Locate top hole in 5 1/2" csg @ 784'. Ran RBP to 2600'. TIH w/ tbg & 5 1/2" tension pkr. Locate holes in 5 1/2" csg from 784' - 849'. Csg leak from 784' - 789'. Pumped sand through pkr & let fall to top of RBP @ 2600'. TOH w/ tbg & pkr. Perf 5 1/2" csg w/ 3 1/8" csg gun w/ 2 shots, 180 degree phasing @ 800'. TIH w/ tbg & pkr to 817'. Spot 200 gal of 7 1/2 % acid across perfs @ 800' & csg leak area. Raise pkr to 589'. Pumped acid away + 5 BPW into perfs @ 1.6 BPM & 600# psi. Pumped 100 sx of Class "C" cmt w/ 2% CaCl2 mixed @ 14.8 ppg w/ a 1.32 yield. Displaced cmt 1.6 bbls below pkr @ 1000# psi. Pressure fell to 600#. Staged cmt & well squeezed w/ 1000# psi. After WOC 16 hrs, release pkr & TOH. TIH w/ tbg, DC's & 4 3/4" bit. Tag @ 670'. Test csg from surf to 670' w/ 550# & held okay. D/O cmt from 670' - 817'. Ran bit to 880', circ hole clean & tested csg from surface to RBP # 2600'. Tested to 520# & held.ay. Wash off sand, latched onto RBP & lower to 3000'. Test csg from surface to 300'. Held 520# okay. Raise retrieving tool to 2970'. TIH w/ 93 jts (2997') of 2 3/8" OD 4.7# 8rd EUE J-55 IPC tbg w/ ASI-X nickel plated pkr w/ 1.5" F profile nipple & on/off tool. Ran to 2997', set pkr, release on/off tool & circ pkr fluid. Test tbg-csg annulus to 500#. Lost 200# - 300# in 15 seconds. Re-set pkr @ 2990' & 2995'. Lost same amount of pressure again. Raise pkr to 2600' & tested w/ same results. TOH w/ tbg & pkr. *Continued on attached sheet

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 05/12/2011

Type or print name Lisa Hunt

E-mail address: lhunt@celeroenergy.com

PHONE: (432)686-1883

For State Use Only

APPROVED BY:

Craig M. Hill

TITLE

DISTRICT 1 SUPERVISOR

DATE

MAY 18 2011

Conditions of Approval (if any):

Rock Queen Unit #90 – C103 attachment

4/21/11 - TIH w/ tbg & 5 ½" AD-1 tension pkr. Ran to 771'. Tested to 500# & lost 200# in 20 seconds. Ran to 880'. Test to 500#, same results. Raise pkr up hole & located new holes in csg from 336' – 346'. Pumped into same @ 0.2 BPM @ 300#. Ran & tag @ 3077'. C/O fill to 3080'. Drill new hole to 3086'. Circ hole clean.

4/25/11 - Drill new hole from 3086' – 3092'. Circ hole clean. Ran GR/CCL/CNL from 2000' – 3092'. Perf 2 squeeze holes in 5 ½" csg @ 348' w/ 3 1/8" cased gun & 180° phasing. TIH w/ tbg & 5 ½" AD-1 tension pkr. Attempt to set pkr above perms @ 348' to establish an injection rate. Made several settings from 300' to top of RBP @ 2600'. Would leak off from 500# - 300# in 20 seconds.

4/26/11 - Recovered RBP @ 2600' & TOH. Ran new 5 ½" RBP w/ pkr & set @ 2635'. Test RBP, pkr & tbg w/ 500#, held okay. Raise pkr & verified holes in 5 ½" csg & perms from 336' – 348'. Pumped 10 BPW @ 1.2 BPM & 400# psi. TOH. TIH w/ tbg open ended to 1000', spot sand @ end of tbg & let fall to RBP @ 2635'.

4/27/11 - Ran tbg w/ 5 ½" pkr to 200'.

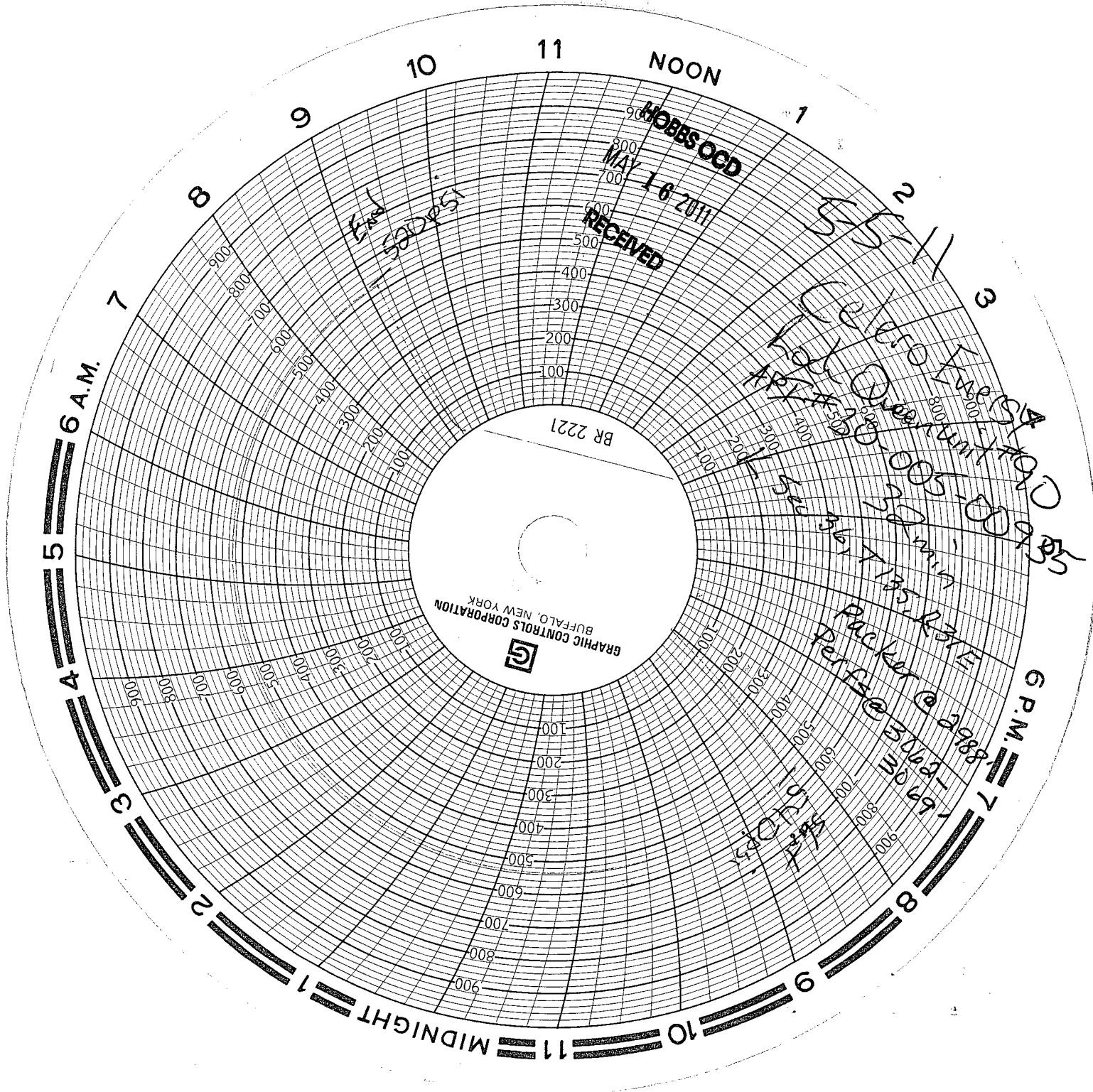
4/28/11 - Pumped 5 BPW down tbg into csg leak @ 336-339- & perms @ 348' @ 1.5 BPM & 500# psi. Pump 100 sx Class "C" cmt w/ 2% CaCl₂, Displaced cmt 1 bbl below pkr (pkr @ 200') to 241'. Start staging cmt, pumping a total of 2 ¼ bbls below pkr @ 305'. Well squeezed w/ 1500# psi.

4/29/11 - After WOC 13.5 hrs, release pkr & TOH. Tag @ 269'. Drill cmt from 369' – 360'. Ran bit to 377' & circ hole clean. Test cmt squeeze to 525# & held okay.

5/2/11 - TIH w/ tbg & retrieving head for RBP @ 2635'. Wash off sand & recovered RBP & TOH. TIH w/ 93 jts (2976') of 2 3/8" OD 4.7# 8rd EUE IPC tbg + 1- 2 3/8" OD 4.7# 8rd EUE IPC tbg sub (12.00') w/ 5 ½" nickel plated AS1-X pkr w/ 1.5" F profile nipple & on/off tool. Set pkr @ 2988'. Ran pre-test for 15 min & held 550#, no loss in pressure. Circ pkr fluid, latched back onto pkr & CWI.

5/3/11 - Test tbg-csg annulus. Tested for 30 min w/ 550# psi. Lost 20# in 30 min. NDBOP & NUWH 5 ½" screw, 3K 7 1/16" csg head & 7- 1 1/16" 3K x 2 3/8" slip type adaptor flange tbg head w/ 2 3/8" Al-Br tbg valve. Connect for injection.

5/5/11 - Ran MIT. Tested for 32 min from 540# - 520#. Test is good. Original chart is attached. Well now ready for water injection per Administrative Order WFX-885.



HOBBS OGD

MAY 18 2011

RECEIVED

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Cetero
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32 min
7/135 kHz

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