

RECEIVED

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-005-00933

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

303375

7. Lease Name or Unit Agreement Name

Rock Queen Unit

8. Well Number 92

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 M : 660 feet from the S line and 660 feet from the W line

Section 36 Township 13S Range 31E NMPM County Chaves

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

4389' 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.

4/7/11 - MIRU. POOH & LD production equipment. Start in hole w/ tbg & 4 3/4" bit. Ran 22 jts of 2 7/8" tbg. Ran to TD of 3077'. Circ hole clean. TOH w/ tbg & bit. TIH w/ tbg & 5 1/2" pkr. Set @ 3009'. Test 5 1/2" csg FS to 3009'. Tested @ 500# for 30 min & held okay. TOH, LD tbg WS & pkr. TIH w/ 93 jts (3017') of 2 3/8" OD 4.7# 8rd EUE J-55 IPC tbg w/ 5 1/2" AS1-X nickel plated pkr w/ 1.5" F profile nipple & on/off tool. Set pkr @ 3017', circ hole w/ pkr fluid, NDBOP, NU 5 1/2" threaded btm x 7 1/16", 3K, flanged csg head w/ 7 1/16", 3K, x 2 3/8" slip type companion flanged tbg head w/ 2 3/8" Al-Br tbg valve. Pulled 12 pts tension on pkr. Took MIT pre-test. Tested to 580# & held okay. Connect for wtr injection.

5/4/11 - Ran MIT. Tested for 32 min from 525# - 520#. Witnessed by Mark Whitaker w/ OCD. Original chart is attached. Well now ready for wtr injection per Administrative Order WFX-885.

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

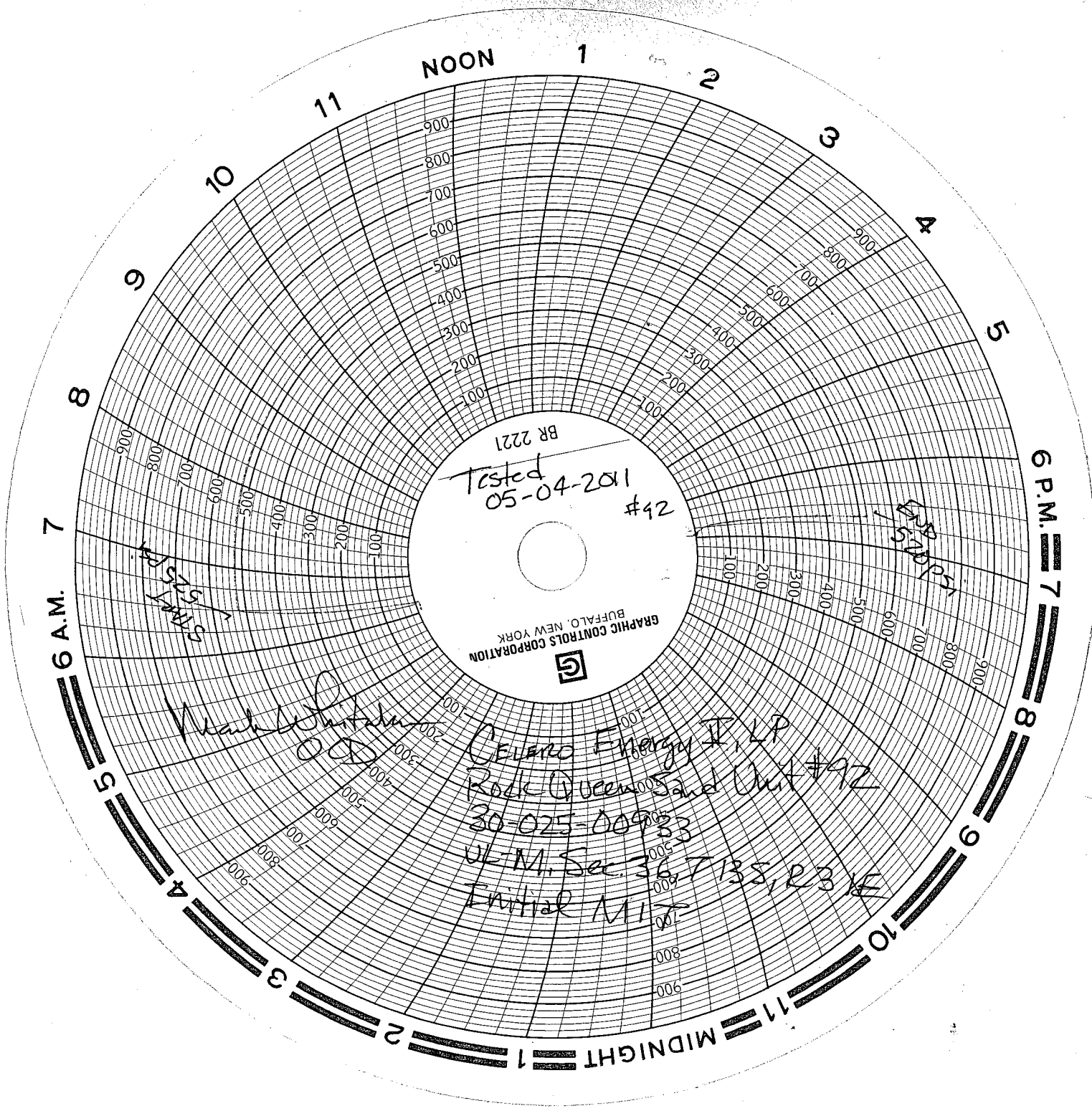
APPROVED BY:

Mark Whitaker

TITLE Compliance Officer

DATE 05/18/2011

Conditions of Approval (if any):



BR 2221
Tested 05-04-2011
#42

GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK

Marked by [Signature]
OOD

Celano Energy II, LP
Rock Queen Sand Unit #42
30-025-00933
UL-M. Sec 36, T13S, R3E
Initial MIT