

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 87401
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
October 13, 2009

RECEIVED 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. 30-005-29162
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 C : 1309 feet from the North line and 2629 feet from the West line Section 36 Township 13S Range 31E NMPM County Chaves		8. Well Number 704
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number 247128
		10. Pool name or Wildcat Caprock; Queen

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.

3/29/11 - MIRU. NDWH & NUBOP. TIH w/ 2 7/8" OD tbg & 4 3/4" bit. Ran bit to 3080' & circ hole clean. TOH. Ran GR/CCL/CNL from 2000' - 3079'. Perf 5 1/2" csg w/ 3 1/8" cased gun, 2 SPF, 19 gram charges, 120° phasing, 0.40" hole from 3056-70'; 15' & 30 holes. TIH w/ 2 7/8" tbg w/ 5 1/2" AD-1 pkr. Set pkr @ 2946'. Tested tbg-csg annulus FS to 2946' w/ 550# & held. Pumped 5 BFW @ 2240# @ 2 BPM. Acidized 5 1/2" csg perfs 3056-70' w/ 2000 gal of 7 1/2% NEFE acid & 40- 7/8" ball sealers & flushed w/ 20 BFW, no overflush. Treating pressures were: Max = 3000#, Avg = 2400#, Avg rate = 4.5 BPM, ISIP = 1500#, 5 min = 1197#, 10 min = 890#, 15 min = 731#, TLTR = 108 bbls. Release pkr. TOH, LD 2 7/8" OD work string & pkr. TIH w/ 93 jts 2981"0 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. Ran & set pkr @ 2981' to 2990'. Release on-off tool, circ pkr fluid, latch back onto pkr. NDBOP, placed 12 pts of tension on pkr. NUWH. 7 1/16" x 2 3/8", 3K slip type flanged tbg head adapter & installed 2 3/8" AL-Br tbg valve. Test tbg csg annulus to 550# for 30 mins. OK. Now ready for injection.

5/4/11 - Ran MIT. Tested for 31 min from 520# - 510#. Witnessed by Mark Whitaker w/ OCD. Original chart is attached. Well ready for wtr injection as per Order No. R-1541-A.

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

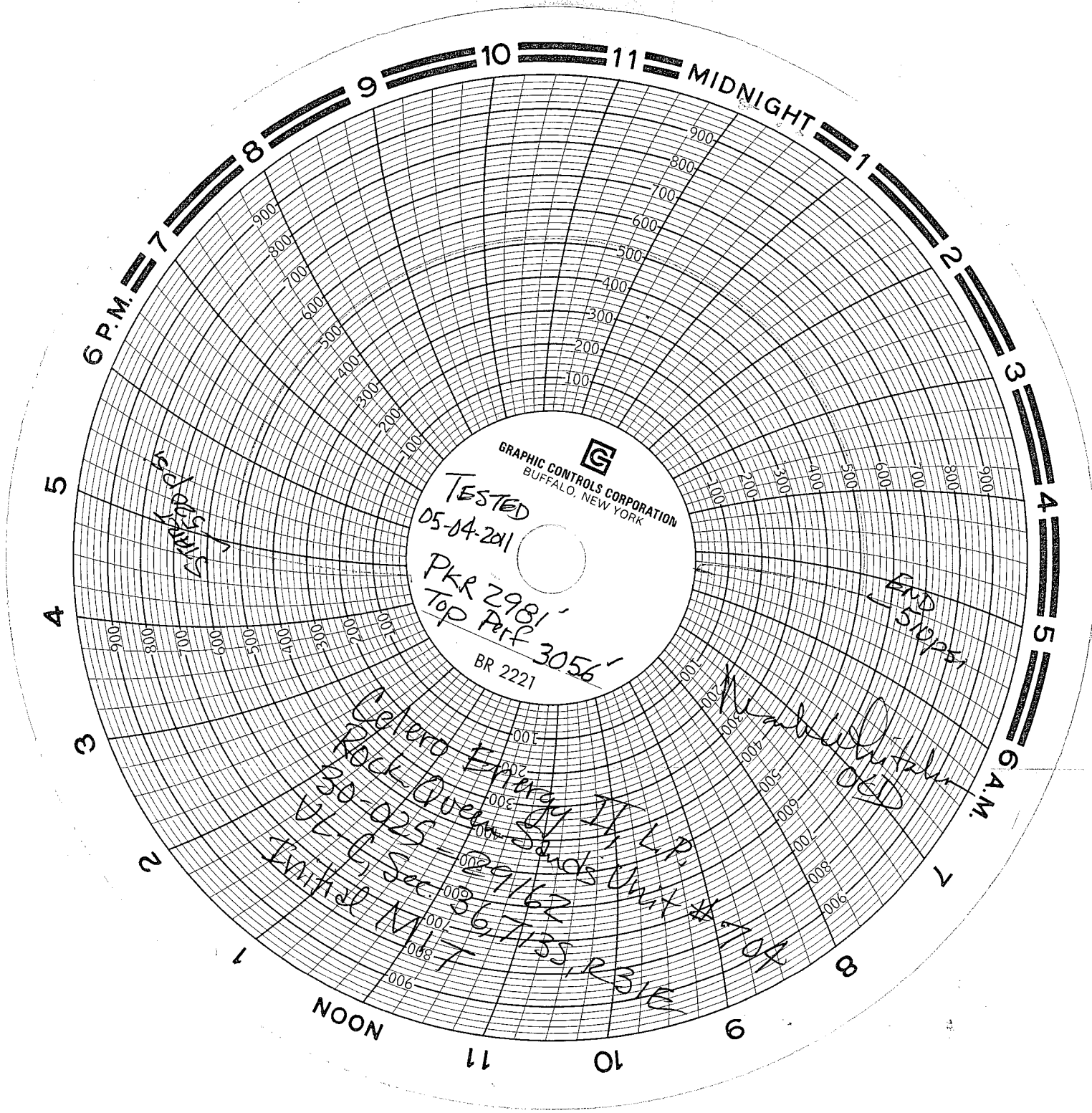
SIGNATURE Lisa Hunt TITLE Regulatory Analyst DATE 05/11/2011

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 18 2011

Conditions of Approval (if any):



GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK

TESTED
05-04-201
PKR 2981'
TOP PKR 3056'
BR 2221

5/10/50

END
5/10/50

Celero Engr
Rock Quarry II, LP
V-30-025 - 29/62
Initial Sec 36, 7/35, R31E
7/08

Handwritten signature
OKD