

Submit 1 Copy To Appropriate District Office
 District I - (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised August 1, 2011

OIL 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. 30-045-34239
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Caerus Southern Rockies LLC		6. State Oil & Gas Lease No. NMNM-114377
3. Address of Operator 600 17 th Street, Suite 1600N, Denver, CO 80202		7. Lease Name or Unit Agreement Name Tsah Tah 36
4. Well Location Unit Letter _____ K: _____ 1530 _____ feet from the _____ south _____ line and _____ 1325 _____ feet from the _____ West _____ line Section 36 Township 25N Range 10W NMPM County San Juan		8. Well Number 3
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number 239235
10. Pool name or Wildcat Basin Fruitland Coal		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: Complete in the Fruitland Coal Zone <input checked="" type="checkbox"/>	

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.

See attached report.

RCVD JAN 8 '13
 OIL CONS. DIV.
 DIST. 3

Record cleanup, Do not remove CIBP and produce PC perforations without prior approval of C-104 & C-105

Spud Date: Rig Release Date:

Ms. McKenzie verified CIBP was still in place at 1770' on 2/20/13. by phone
 I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE [Signature] TITLE Operations Technician DATE 1-4-13

Type or print name Susana Mckenzie E-mail address: Susana@caerusoilandgas.com PHONE: 303-565-4600

For State Use Only

APPROVED BY: [Signature] TITLE Deputy Oil & Gas Inspector, District #3 DATE 2-20-13

Conditions of Approval (if any):

AV
 Please Review NMAC Rule 19.15.7.16
 File within a timely manner

WALSH ENGINEERING & PRODUCTION CORPORATION

WORKOVER AND COMPLETION REPORT

Operator: Caerus Southern Rockies	Well Name: Tsah Tah 36 #3
Date: 21-Sep-11	Report #: 1
Field: Basin Fruitland Coal	Location: 36/25N/10W County: San Juan State: New Mexico
Contractor: J.C. Well Service	Supervisor: Paul Thompson

Work Summary:

Moved on location and rigged up J.C. Well Service. Well was dead. Laid down the horses head. Pulled the polished rod and liner, 63 3/4" rods (30 guided), and 5 guided 7/8" rods (no pump). Nipped down the well head. TOH with 54 jts. of 2-3/8" tubing, seating nipple and slotted mud anchor. Crushed one joint with the tongs – no obvious holes in the remaining joints. Removed the tubing head and connected a 5,000 psi frac valve directly to the 4-1/2" casing. Frac scheduled for 10 AM 9/22/11.

Daily Costs:

Road & Location:	
Rig Costs:	\$1,350
Equipment Rental:	
Logging & Perforating:	
Stimulation:	
Testing:	
Cementing:	
Completion Fluids (2% KCl water):	
Contract Services:	
Miscellaneous Supplies:	
Engr. & Supervision:	\$492
Slick line:	
Other (Trucking):	

Tubulars:	
Wellhead Equipment:	
Subsurface Equipment:	
Artificial Lift Equipment:	
Sucker Rods:	
Tanks:	
Bailer:	
Flowlines:	
Installation/Labor:	
Fittings, Valves, Etc.:	
Meters, Lact, Etc.:	
Electrical Equipment:	

Total Daily Costs: \$ 1,842
Cumulative Costs: \$ 1,842

Well Record

TD:	1912' KB	Run in well					
PBTD:	1891' KB	Tubing:	2-3/8"	Joints:	54	Grade:	J-55
Casing Size:	4-1/2" 10.5#/ft	Weight:	4.7#/ft	Thread:	EUE 8rd	Length:	1778.60
KB:	5'	Seating Nipple:		Length:		Length:	1.10
Perforations:	1775'- 86'	Mud anchor:		Length:		Length:	30.90
		KB:	Top of tubing to KB	Length:		Length:	4.00
		Bottom of Tubing/Production String Landed at:					1814.60
		Rods:	62	Size:	3/4"	(30ea - guided)	
SPF:	3 SPF = 33 holes	Rods:	8	Size:	7/8"	guided	
EHD:	.50"	Pony subs:	two 8', one 4'				
Pulled from well							
Tubing:	54 2-3/8" J-55 EUE 8rd						
Misc:	SN & mud anchor						
Rods:	63 3/4" rods (30 guided); 5 guided 7/8"						
Misc:	polished rod w/ liner						
Pump:							
	Pump:	2" x 1-1/2" x 14' RWAC Brass barrel w/ 6' strainer					
	Make:	Rebuilt - CDI Energy					

WALSH ENGINEERING & PRODUCTION CORPORATION

WORKOVER AND COMPLETION REPORT

Operator: **Caerus Southern Rockies** Well Name: **Tsah Tah 36 #3**
 Date: **22-Sep-11** Report #: **2**
 Field: **Basin Fruitland Coal** Location: **36/25N/10W** County: **San Juan** State: **New Mexico**
 Contractor: **J.C. Well Service** Supervisor: **Paul Thompson**

Work Summary:

Blue Jet set a cast iron bridge plug at 1770' KB. Rigged up Halliburton. Loaded the hole and pressure tested the plug, casing, and frac valve to 3,500 psi – held OK. Blue Jet perforated the Fruitland Coal from 1724' to 1736' at 3 spf for a total of 36 (0.50") holes. Established an injection rate with water. The formation broke at 2214 psi at 5.0 BPM. Spearheaded 1,000 gal of 7.5% HCl. Treating pressures dropped from 1167 psi to 780 psi as the acid passed through the perfs. Pumped a 5,000 gal linear gel pad, followed by 6,700 gal of crosslinked gel with .25 to 0.5 ppg of 40/70 Arizona sand. Continued with 65,000# of 20/40 Arizona sand at a steady ramp from 1.0 ppg to 4.0 ppg. All of the 20/40 sand was treated with SandWedge. Job completed at 1340 hrs. 9/22/11. Flushed the sand to 1625' with 1080 gal of linear gel. AIR = 10.2 BPM, MIR = 10.7 BPM, ATP = 800 psi, MTP = 1167 psi. ISIP = 1005 psi, 5 min. = 887 psi, 10 min. = 839 psi, 15 min = 785 psi. Total fluid = 928 bbls. The frac gradient based on the ISIP was 1.01 psi/ft. SI the well and rigged down Halliburton.

Daily Costs:

Road & Location:		Tubulars:	
Rig Costs:	\$1,000	Wellhead Equipment:	
Equipment Rental:		Subsurface Equipment:	
Logging & Perforating:	\$4,419	Artificial Lift Equipment:	
Stimulation:	\$63,256	Sucker Rods:	
Testing:		Tanks:	\$2,250
Cementing:		Bailer:	
Completion Fluids (2% KCl water):	\$3,405	Flowlines:	
Contract Services:		Installation/Labor:	\$150
Miscellaneous Supplies:		Fittings, Valves, Etc.:	\$50
Engr. & Supervision:	\$850	Meters, Lact, Etc.:	
Slick line:		Electrical Equipment:	
Other (Trucking):			
		Total Daily Costs:	\$ 75,380
		Cumulative Costs:	\$ 77,222

Well Record

TD:	1912' KB	Run in well					
PBTD:	1891' KB	Tubing:	2-3/8"	Joints:	54	Grade:	J-55
Casing Size:	4-1/2" 10.5#/ft	Weight:	4.7#/ft	Thread:	EUE 8rd	Length:	
KB:	5'	Seating Nipple:		Length:			
Perforations:	1724 - 36'	Mud anchor:		Length:			
		KB:	Top of tubing to KB	Length:	4.00		
		Bottom of Tubing/Production String Landed at:			4.00		
		Rods:		Size:			
SPF:	3 SPF = 36 holes	Rods:		Size:			
EHD:	.50"	Pony subs:					
Pulled from well							
Tubing:	54 2-3/8" J-55 EUE 8rd						
Misc:	SN & mud anchor						
Rods:	63 3/4" rods (30 guided); 5 guided 7/8"	Pump:					
Misc:	polished rod w/ liner	Make:					
Pump:							

FRACTURE TREATMENT REPORT

Operator: Caerus Southern Rockies Well Name: Tsah Tah 36 #3
 Date: 22-Sep-11
 Field: Basin Fruitland Coal Location: 36/25N/10W County: San Juan State: NM
 Stimulation Company: Blue Jet & Halliburton Supervisor: Paul Thompson

Stage #: 1/1 Fruitland Coal

Sand on location: Design: 2,500# & 65,000# Weight ticket: 5,010# & 60,500# Size/type: 40/70 Arizona & 20/40 BASF

Fluid on location: No. of Tanks: 3 Strap: 20' Amount: 1200 Usable: 1080 bbls

Perforations: Depth: 1724 - 1736 Total Holes: 36 PBTD: 1770' KB CIBP
 Shots per foot: 3 EHD: .50"

Breakdown: Acid: 1000 gal of 7-1/2% HCl
 Balls: None
 Pressure: 873 psi Rate: 5.0 BPM
 Formation broke at 2214 psi at 5.0 BPM
 Max press = 1167 psi @ 10.0 BPM
 Min press = 780 psi @ 10.5 BPM

Stimulation: ATP: 800 psi AIR: 10.2 BPM
 MTP: 1170 psi MIR: 10.7 BPM

		Sand Stage	Pressure	Rate	BHTP
	Linear	Pad	841	10.4	1517
	X-link	Pad	835	10.5	1307
ISIP: 1005	40/70	.5 ppg	803	10.0	1291
5 min: 887	20/40	1 ppg	804	10.1	1326
10 min: 839		2 ppg	766	10.5	1272
15 min: 785		3 ppg	740	10.2	1285
		4 ppg	925	10.1	1477

Job Complete at: 1340 hrs. Date: 9/22/2011 Start flow back: SI
 Total Fluid Pumped: 928 bbls
 Total Sand Pumped: 2,500# & 65,000# Total Sand on Formation: 67,500
 Total Nitrogen Pumped: None

Notes:

All frac fluid was fresh water from Hill Top with 2% KCl with biocide and contained Delta 140R borate crosslinked gel, surfactant, enzyme and encapsulated breakers. All of the 20/40 sand was treated with SandWedge. The 20/40 sand was ramped from 1.0 to 4.0 ppg. Had a good pressure break as the acid passed through the perms. The Nolte plot was relatively flat until the BH sand concentration reached 3.25 ppg, then the curve was positive for the rest of the job. The frac gradient based on the ISIP was 1.01 psi/ft.

WORKOVER AND COMPLETION REPORT

Operator: Caerus Southern Rockies	Well Name: Tsah Tah 36 #3
Date: 23-Sep-11	Report #: 3
Field: Basin Fruitland Coal	Location: 36/25N/10W County: San Juan State: New Mexico
Contractor: J.C. Well Service	Supervisor: Paul Thompson

Work Summary:

Well was on a slight vacuum. Nipped down the frac valve and nipped up the tubing head and casing manifold (replaced 3" ball valve). Nipped up the BOP. Picked up a notched collar and seating nipple on 2-3/8" tubing. TIH and tagged fill at 1694' KB. Load the hole with water and reverse circulated the hole clean to the CIBP at 1770' KB. POH 100' and wait for 45 min. TIH to the CIBP – no additional fill. TOH. Ran a slotted mud anchor, seating nipple, and 54 jts (1724.72') of 2-3/8", 4.7#, J-55, EUE 8rd tubing, and two pup joints. Landed the bottom of the tubing at 1753.25' KB with the seating nipple at 1735.12' KB. Replaced two bad joints with yellow band tubing from Caerus stock. Nipped down the BOP and nipped up the wellhead. Ran a new 2" X 1-1/2" X 14' RWAC brass pump with downsized balls and a 12" strainer nipple, on 8 guided 7/8" rods, 60 3/4" rods (30 guided), one 8' and two 6' pony rods, on a 22' X 1-1/4" polished rod. Loaded the tubing with water. Pressure tested the pump and tubing with the pump to 500 psi – held OK. Left the well pumping and notified the lease operator. Rigged down and released J.C. Well Service. FINAL REPORT.

Daily Costs:

Road & Location:		Tubulars:	
Rig Costs:	\$3,000	Wellhead Equipment:	
Equipment Rental:		Subsurface Equipment:	
Logging & Perforating:		Artificial Lift Equipment:	\$2,500
Stimulation:		Sucker Rods:	\$300
Testing:		Tanks:	
Cementing:		Bailer:	
Completion Fluids (2% KCl water):	\$390	Flowlines:	
Contract Services:		Installation/Labor:	
Miscellaneous Supplies:		Fittings, Valves, Etc.:	\$2,550
Engr. & Supervision:	\$850	Meters, Lact, Etc.:	
Slick line:		Electrical Equipment:	
Other (Trucking):	\$1,156		
		Total Daily Costs:	\$ 10,746
		Cumulative Costs:	\$ 87,968

Well Record

TD:	1912' KB	Run in well					
PBTD:	1891' KB	Tubing:	2-3/8"	Joints:	54	Grade:	J-55
Casing Size:	4-1/2" 10.5#/ft	Weight:	4.7#/ft	Thread:	EUE 8rd	Length:	1724.72
KB:	5'	Seating Nipple:				Length:	1.10
Perforations:	1724 - 36'	Mud anchor:				Length:	17.03
		Tubing Subs					6.40
		KB:	Top of tubing to KB			Length:	4.00
		Bottom of Tubing/Production String Landed at:					1753.25
SPF:	3 SPF = 36 holes	Rods:	60	Size:	3/4"	30 guided	
EHD:	50"	Rods:	8	Size:	7/8"	guided	
		Pony subs:	one 8' & two 6'				
Pulled from well							
Tubing:	54 2-3/8" J-55 EUE 8rd						
Misc:	SN & mud anchor						
Rods:	63 3/4" rods (30 guided); 5 guided 7/8"						
Misc:	polished rod w/ liner						
Pump:	2" x 1-1/2" x 14' RWAC Brass barrel w/ 12" strainer						
	Make: New - CDI Energy						

WALSH ENGINEERING & PRODUCTION CORP.
PIPE RECORD

Operator: **Rosetta Resources** Lease: **Tsah Tah 36** Well No. **3** Date: **9/23/11**

Pipe Tally - Show every piece of equipment going into the hole in the order run.																							
Column 1		Column 2		Column 3		Column 4		Column 5		Column 6		Column 7		Column 8									
Grade	Wt	Grade	Wt	Grade	Wt	Grade	Wt	Grade	Wt	Grade	Wt	Grade	Wt	Grade	Wt								
	17.03		1.10		32.40		32.76		31.70		32.45		4.15										
					31.39		32.29		30.92		32.40		2.25										
					32.35		31.40		33.19	Out	31.72												
					29.50		32.39		32.52	Out	32.35												
					32.40		28.92		33.32	Out	31.65												
					31.17		32.33		33.24	Out	32.40												
					30.40		32.33		33.20	Out	32.42												
					31.42		29.34		33.25	Out	32.45												
					32.25		30.46		33.23														
					29.24		32.22		33.26														
					29.52		33.35		32.87														
					30.67		33.25		31.70														
					32.15		33.26																
					29.18		32.85																
					32.78		32.40																
					32.90		33.26																
					29.70		33.25																
					31.19		33.26																
					32.40		33.30																
					31.42		30.42																
	17.03		1.10		624.43		643.04		392.40		257.84		6.40		0.00								
Jts. on rack before running				61				Jts. on rack after running				6				No. Jts. run				55			
Column no.	ITEM			JTS.	OD.	WT.	GRADE	THREAD	MAKE														
1	Slotted Mud Anchor			1	2-3/8"	4.7	J-55	EUE 8rd	Used			17.03											
2	Seating Nipple								Used			1.10											
3	Tubing			20	2-3/8"	4.7	J-55	EUE 8rd	From Well			624.43											
4	Tubing			20	2-3/8"	4.7	J-55	EUE 8rd	From Well			643.04											
5	Tubing			12	2-3/8"	4.7	J-55	EUE 8rd	From Well			392.40											
6	Tubing			8	2-3/8"	4.7	J-55	EUE 8rd	Yellowband			257.84											
7	Pup Joints				2-3/8"	4.7	J-55	EUE 8rd	Used			6.40											
8												0.00											
REMARKS										* ASTERISK DESIGNATES CENTRALIZER ON JOINT			TOTAL			1942.24							
										JTS NOT RUN (-)			6			192.99							
Seating Nipple is at 1735.12' KB										CUT OFF (-)													
										TOTAL			1749.25										
										Top of Casinhead flange to KB			4.00										
										SET AT KB			1753.25										
										CO. REP.			Paul Thompson										