

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2018

RECEIVED

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

NOV 12 2015

5. Lease Serial No. NMNM 112957

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator Caerus Southern Rockies LLC

3a. Address 600 17th Street; Suite 1600N
Denver, CO 80202

3b. Phone No. (include area code)
(303) 565-4600

4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description)
1350' FNL & 1200' FEL, Sec 35, T25N, R10W

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No. Tsah Tah 35#1

9. API Well No. 30-045-33766

10. Field and Pool or Exploratory Area
San Juan Basin Field

11. Country or Parish, State
San Juan, New Mexico

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input checked="" type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

On September 9th, 2015 Caerus Southern Rockies LLC rigged up on the Tsah Tah 35#1 well. The rods and pump were pulled. The bottom half of the rods had heavy scale up to a quarter inch thick. There was a 6" split in tubing joint #48 due to rod wear. The entire tubing string was replaced with new L-80 tubing. A casing scrapper run was made to ensure that the perfs were clear. A packer was used to isolate the perfs and 500 gal 15% HCl acid was pumped at 1.0 bpm @ 180 psi. The acid was left to sit overnight. The excess liquid was swabbed back, the tubing and rods were landed and the well was returned to production on 10/15/2015.

ACCEPTED FOR RECORD

NOV 16 2015

FARMINGTON FIELD OFFICE
BY: *[Signature]*

OIL CONS. DIV DIST. 3

NOV 19 2015

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
Peter Travers

Signature *[Signature]*

Operations Engineer
Title

Date 11/05/2015

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Office

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

NMOCD

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GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, are either shown below, will be issued by or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment. If the proposal will involve **hydraulic fracturing operations**, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

NOTICES

The privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240



Daily Activity and Cost Summary_Dep

Well Name: Tsah Tah 35-1

API/UWI 30-045-33766-0000	Surface Legal Location Sec 35, T25N, R10W, NWSENE	Field Name Basin Fruitland Coal	License #	State/Province New Mexico	Well Configuration Type Vertical
Original KB Elevation (ft) 6,717.00	KB-Tubing Head Distance (ft)	Spud Date 7/29/2006 00:00	Rig Release Date 8/3/2006 00:00	PBTD (All) (ftKB)	Total Depth All (TVD) (ftKB)

Job Category Completion/Workover	Primary Job Type Tubing Repair	Secondary Job Type Pump Repair	Job Status Completed
AFE Number	Start Date 10/9/2015	End Date 10/14/2015	Total AFE Amount (Cost)

Objective
BLM plug or produce notice received. Well sits in North section of field which is known as best producing area. Pull rods, pump and tubing and replace as necessary. RIH w/ pkr to isolate perms and complete acid squeeze job. Return well to production.

Summary
POOH w/ rods and pump. Bottom half of rods had heavy scale ((est. 1-8"-1/4" thick)), age unknown. Pump barrel & gas anchor had minor scale. Found 6" split in joint #48, 1' above pin end - severe rod wear. Replace entire tubing string w/ new L-80 tbg. RIH w/ csg scraper to clear perforations. RIH w/ pkr and set above perforations. Pumped 500.0gals of HCl acid w/ 50.0gals of acetic acid w/ ammonium chloride w/ additives at 1.0bpm @ 180psi and let sit overnight. Swab back, land tubing and rods, and return well to production.

Contractor JC Well Service	Rig Number 4	Rig Type Service
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Rpt #	Start Date	End Date	Day Total (Cost)	Cum To Date (Cost)	Summary
1.0	10/9/2015	10/10/2015	1,095.00	1,095.00	FCP = 19psi, SITP = 0psi upon arrival. Road conditions good for rig move. Moved JC Well Service - Rig #4 off of the Tsah Tah 4 #4 to location. Moved onto location & rigged up. During rig up & raising the derrick, the rig had severe equipment failure - main seal on lifting ram for derrick failed. Lay down derrick & rig down. Will move broken rig back to yard & swap over equipment. Will move new rig out on Monday. SDOW.
2.0	10/12/2015	10/13/2015	2,406.00	3,501.00	SICP = 9psi, SITP = 0psi upon arrival. Moved JC Well Service - Rig #1 from the yard to location. Move onto location & rig up. TOOH w/ 1ea - 1-1/4" polish rod w/ liner, 1ea - 6'; 1ea - 8' pony rod subs, 10ea - 3/4" plain rods, 49ea - 3/4" molded guided rods ((59ea - total)), 8ea - 7/8" molded guided rods, & 1ea - 2" x 1-1/2" x 14' RWAC brass barrel pump w/ 6' gas anchor. Bottom half of rods had heavy scale ((est. 1-8"-1/4" thick)), age unknown. Pump had full stroke when retrieved. Pump full of light black fluid when retrieved. Pump barrel & gas anchor had minor scale. Nipple down the wellhead. Nipple up the BOP. TOOH & lay down 53ea - 2-3/8" J-55 EUE 8rd tubing, 1ea - seating nipple ((will replace)), & 1ea - 2-3/8" slotted mud anchor ((will re-use)). Tubing in fair condition, will return to cave enterprises for credit on L-80 tubing. Found 6" split in joint #48, 1' above pin end - severe rod wear. Prepare to TIH w/ scraper to clean perms & tag for fill. Tallied & TIH w/ 1ea - 3-7/8" tri-cone bit w/ bit sub, 1ea - 4-1/2" casing scraper w/ change over, 1ea - seating nipple, 59ea - 2-3/8" L-80 EUE 8rd tubing. Tagged top of fill @ 1852.84'KB. PBTD @ 1865.00'KB. TOOH & ran scraper through perms a multiple times. TOOH w/ tubing & lay down the casing scraper. Too late to continue. Secure wellhead & location. SDON.
3.0	10/13/2015	10/14/2015	4,436.00	7,937.00	SICP = 9psi upon arrival. BOP malfunctioned, will not open. All repaired ((2hrs)) & BOP fully functional mid morning. Pick up & TIH w/ 1ea - 4-1/2" tension packer, 1ea - 2-3/8" unloader, 1ea - seating nipple, & 46ea - 2-3/8" L-80 EUE 8rd tubing, Rotate & set packer 15k over string weight successfully. Center element @ 1457.02'KB. End of packer @ 1459.05'KB. Top perf @ 1492.00'KB. Rig up H&M pump truck & loaded backside w/ 9.0bbls of water. Pressure tested packer, casing, & BOP to 500psi. Held 10 minutes. Tested good. Release pressure. Rig down H&M and release. TIH w/ rod string. Pick up & install polish rod w/ stuffing box. Rig up Magna pump truck & prepare to acidize rods & perms. Pumped 500.0gals of HCl acid w/ 50.0gals of acetic acid w/ ammonium chloride w/ additives at 1.0bpm @ 180psi. Pumped 7.5bbls of flush @ 1.0bpm @ 165psi. Shutdown. Shut in & Secure wellhead. Rig down pump truck & release. Secure rig & location. SDON.
4.0	10/14/2015	10/15/2015	9,536.00	17,473.00	SICP = 0psi, SITP = 4psi upon arrival. Set string weight to open unloader. Let set for 5 minutes to equalize. Hold string weight & rotate to unset packer. Packer unset successfully. TOOH w/ tubing & lay down the packer assembly. TIH w/ 1ea - mud anchor, 1ea - seating nipple ((new)), 55ea - 2-3/8" L-80 EUE 8rd tubing. End of tubing @ 1768.13'KB. Bottom perf @ 1683.00'KB. Prepare to swab clean. Rig up swab assembly. Made 13 swab runs. Recovered 16.0bbls of brown/black fluid w/ acid & solids. Too late to continue. SDON.



Daily Activity and Cost Summary_Dep

Well Name: Tsah Tah 35-1

API/UWI 30-045-33766-0000	Surface Legal Location Sec 35, T25N, R10W, NWSENE	Field Name Basin Fruitland Coal	License #	State/Province New Mexico	Well Configuration Type Vertical
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Rpt #	Start Date	End Date	Day Total (Cost)	Cum To Date (Cost)	Summary
5.0	10/15/2015	10/16/2015	2,033.00	19,506.00	SICP = 6psi, SITP = 0psi upon arrival. Made 6 swab runs. Recovered 6.5bbbls of semi clean fluid with chemicals, no solids/no acid ((pH @ 6.5-7.0)). Rig down swab assembly. TOOH & Lay down 1 extra joint. Drop 10cups ((est. 1.2lbs)) of water treatment pellets down casing. Pick up & install tubing donut. Tubing landed @ 1740.48'KB. Top of Fill @ 1852.84. PBTD @ 1865.00'KB. Seating nipple landed @ 1708.43'KB. Bottom perf @ 1683.00'KB. Nipple down the BOP. Nipple up the Wellhead. TIH W/ 1ea - 2" x 1-1/2" x 14" RWAC brass barrel pump w/ 6' gas anchor, 8ea - 7/8" guided rods, 44ea - 3/4" guided rods, 15ea - 3/4" plain rods, 1ea - 8'; 1ea - 4'; 1ea - 6' pony rod subs, & 1ea - polish rod w/ liner. Rigged up H&M pump truck to load tubing. Pressure tested tubing & pump to 950psi. Held 10 minutes. Tested good. Released pressure. Long stroked the pump & test to 500psi. Held 10 minutes. Tested good. Hang rods off to pump jack. Started pump jack & set tag. Left unit running & returned to sales. Notified office & lease operator. Rig down JC Well Service - Rig #1 & Release. Final Report.