

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109



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Document Number: 402106183			
Date Received:			

SUNDRY NOTICE

Submit a signed original. This form is to be used for general, technical and environmental sundry information. For proposed or completed operations, describe in full in Comments or provide as an attachment. Identify Well by API Number; identify Oil and Gas Location by Location ID Number; identify other Facility by Facility ID Number.

OGCC Operator Number: 10456 Contact Name Brett Middleton
 Name of Operator: CAERUS PICEANCE LLC Phone: (970) 285-2739
 Address: 1001 17TH STREET #1600 Fax: ()
 City: DENVER State: CO Zip: 80202 Email: bmiddleton@caerusoilandgas.com

Complete the Attachment
Checklist

OP OGCC

API Number : 05- 045 15486 00 OGCC Facility ID Number: 360
 Well/Facility Name: N. PARACHUTE Well/Facility Number: EF12B-DX D31 59
 Location QtrQtr: NWNW Section: 31 Township: 5S Range: 95W Meridian: 6
 County: GARFIELD Field Name: GRAND VALLEY
 Federal, Indian or State Lease Number: _____

Survey Plat		
Directional Survey		
Srfc Eqpmt Diagram		
Technical Info Page		
Other		

CHANGE OF LOCATION OR AS BUILT GPS REPORT

- Change of Location * As-Built GPS Location Report As-Built GPS Location Report with Survey

* Well location change requires new plat. A substantive surface location change may require new Form 2A.

SURFACE LOCATION GPS DATA Data must be provided for Change of Surface Location and As Built Reports.

Latitude _____ PDOP Reading _____ Date of Measurement _____
 Longitude _____ GPS Instrument Operator's Name _____

LOCATION CHANGE (all measurements in Feet)

Well will be: _____ (Vertical, Directional, Horizontal)

Change of **Surface** Footage **From** Exterior Section Lines:

FNL/FSL		FEL/FWL	
1178	FNL	227	FWL

Change of **Surface** Footage **To** Exterior Section Lines:

Current **Surface** Location **From** QtrQtr NWNW Sec 31 Twp 5S Range 95W Meridian 6
 New **Surface** Location **To** QtrQtr _____ Sec _____ Twp _____ Range _____ Meridian _____

Change of **Top of Productive Zone** Footage **From** Exterior Section Lines:

2237	FSL	1337	FWL

Change of **Top of Productive Zone** Footage **To** Exterior Section Lines:

Current **Top of Productive Zone** Location **From** Sec 31 Twp 5S Range 95W
 New **Top of Productive Zone** Location **To** Sec _____ Twp _____ Range _____

Change of **Bottomhole** Footage **From** Exterior Section Lines:

2237	FSL	1337	FWL

Change of **Bottomhole** Footage **To** Exterior Section Lines:

Current **Bottomhole** Location Sec 31 Twp 5S Range 95W
 New **Bottomhole** Location Sec _____ Twp _____ Range _____

** attach deviated drilling plan

Is location in High Density Area? _____

Distance, in feet, to nearest building _____, public road: _____, above ground utility: _____, railroad: _____,
 property line: _____, lease line: _____, well in same formation: _____

Ground Elevation _____ feet Surface owner consultation date _____

Comments:

ENGINEERING AND ENVIRONMENTAL WORK

NOTICE OF CONTINUED TEMPORARILY ABANDONED STATUS

Indicate why the well is temporarily abandoned and describe future plans for utilization in the COMMENTS box below or provide as an attachment, as required by Rule 319.b.(3).

Date well temporarily abandoned _____ Has Production Equipment been removed from site? _____

Mechanical Integrity Test (MIT) required if shut in longer than 2 years. Date of last MIT _____

SPUD DATE: _____

TECHNICAL ENGINEERING AND ENVIRONMENTAL WORK

Details of work must be described in full in the COMMENTS below or provided as an attachment.

NOTICE OF INTENT Approximate Start Date _____

REPORT OF WORK DONE Date Work Completed 01/23/2015

<input type="checkbox"/> Intent to Recomplete (Form 2 also required)	<input type="checkbox"/> Request to Vent or Flare	<input type="checkbox"/> E&P Waste Mangement Plan
<input type="checkbox"/> Change Drilling Plan	<input type="checkbox"/> Repair Well	<input type="checkbox"/> Beneficial Reuse of E&P Waste
<input type="checkbox"/> Gross Interval Change	<input type="checkbox"/> Rule 502 variance requested. Must provide detailed info regarding request.	
<input checked="" type="checkbox"/> Other <u>data submittal</u>	<input type="checkbox"/> Status Update/Change of Remediation Plans for Spills and Releases	

COMMENTS:

On Friday May 31st

- We Hydro excavated the area around the wellheads until the top of the conductor and surface casing connections were visible.
 - o Please see attached photos.
- With the help of a FLIR camera we identified the source of the gas migration.
 - o The D31 12B-DX was obvious to see bubbles percolating from a hole in the concrete cellar.
 - ? There was no gas shown to be coming from any fittings, connections or the top of the conductor.
- This indicates potential for natural (Wasatch) surface gas migrating around the outside of the conductors on these wells to surface at this point.
 - o The D31 12C appeared to be migrating through smaller cracks and holes in the concrete cellar.
 - ? There was no gas shown to be coming from any fittings, connections or the top of the conductor.
- This indicates potential for natural (Wasatch) surface gas migrating around the outside of the conductors on these wells to surface at this point.

After diving into the prior history of the D31 12B-DX we discovered that Encana did a follow up isotopic analysis on this well and for some reason the information and findings were never submitted to the COGCC. Brett Middleton thankfully still had this information stored and I have included it in the attachments as well. Based on the information it contains indicates that the Surface Gas, Braden Head(Surface Casing), and Production Casing all seem to be from different sources which prove our findings of not seeing any equipment failure or leaks which points towards natural surface gas migrating up the outside of these conductors into the cellars.

Based on this data and the visual inspections we have determined this to be naturally occurring surface gas that is migrating in and around this location. These conductors and or wellbores create a path of least resistance for this gas to escape through the concrete in these cellars.

Please advise on any recommendations or any additional steps that Caerus should proceed with.

If approved I would like to add some warning signs indicating the presence of surface gas at the entrance of location and also attach some signage to these wellheads. I think this will be an added safety measure and add awareness to all those that may be unfamiliar with this location.

Thank You and Have a Great Evening,

CASING AND CEMENTING CHANGES

Casing Type	Size	Of	/	Hole	Size	Of	/	Casing	Wt/Ft	Csg/LinTop	Setting Depth	Sacks of Cement	Cement Bottom	Cement Top

H2S REPORTING

Data Fields in this section are intended to document Sample and Location Data associated with the collection of a Gas Sample that is submitted for Laboratory Analysis.

Gas Analysis Report must be attached.

H2S Concentration: _____ in ppm (parts per million)

Date of Measurement or Sample Collection _____

Description of Sample Point:

Absolute Open Flow Potential _____ in CFPD (cubic feet per day)

Description of Release Potential and Duration (If flow is not open to the atmosphere, identify the duration in which the container or pipeline would likely be opened for servicing operations.):

Distance to nearest occupied residence, school, church, park, school bus stop, place of business, or other areas where the public could reasonably be expected to frequent: _____

Distance to nearest Federal, State, County, or municipal road or highway owned and principally maintained for public use: _____

COMMENTS:

<u>Best Management Practices</u>	
<u>No BMP/COA Type</u>	<u>Description</u>

Operator Comments:

attn Steven Arauza and Shannon Chollett

Form 43 data request has not been completed due to the age of these samples an EDD was never created and the samples were requested under the past operator, Caerus is working with the laboratory to generate new EDDs of the historic data.

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: _____ Print Name: Brett Middleton

Title: Sr. EHS Specialist Email: bmiddleton@caerusoilandgas.com Date: _____

Based on the information provided herein, this Sundry Notice (Form 4) complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved: _____ Date: _____

CONDITIONS OF APPROVAL, IF ANY:

<u>COA Type</u>	<u>Description</u>

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
		Stamp Upon Approval

Total: 0 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
402106265	ANALYTICAL RESULTS
402106267	ANALYTICAL RESULTS
402106269	ANALYTICAL RESULTS
402106270	GAS ANALYSIS REPORT

Total Attach: 4 Files