

Submit original plus one copy. This form is to be used for general, technical and environmental sundry information. For proposed or completed operations, describe in full on Technical Information Page (Page 2 of this form.) Identify well or other facility by API Number or by OGCC Facility ID. Operator shall send an informational copy of all sundry notices for wells located in High Density Areas to the Local Government Designee (Rule 603b.)

1. OGCC Operator Number: <u>10382</u>	4. Contact Name <u>Wayne Rowe</u>	Complete the Attachment Checklist OP OGCC
2. Name of Operator: <u>SCHLUMBERGER CARBON SERVICES</u>	Phone: <u>303 297-9005</u>	
3. Address: <u>1875 LAWRENCE ST., SUITE 500</u> City: <u>Denver</u> State: <u>CO</u> Zip: <u>80202</u>	Fax: <u>303-297-9007</u>	
5. API Number <u>05-081-07694-00</u>	OGCC Facility ID Number <u>426228</u>	Survey Plat
6. Well/Facility Name: <u>RMCCS State</u>	7. Well/Facility Number <u>No. 1</u>	Directional Survey
8. Location (Qtr/Qtr, Sec, Twp, Rng, Meridian): <u>SWSE, Sec.34, T6N, R91W, 6th PM</u>		Surface Eqpmt Diagram
9. County: <u>Moffat</u>	10. Field Name: <u>N/A</u>	Technical Info Page
11. Federal, Indian or State Lease Number: _____		Other

General Notice

<input type="checkbox"/> CHANGE OF LOCATION: Attach New Survey Plat (a change of surface qtr/qtr is substantive and requires a new permit)									
Change of Surface Footage from Exterior Section Lines:	<table border="1"> <tr> <td></td> <td>FNL/FSL</td> <td></td> <td>FEL/FWL</td> </tr> <tr> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> </table>		FNL/FSL		FEL/FWL	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	FNL/FSL		FEL/FWL						
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>						
Change of Surface Footage to Exterior Section Lines:	<table border="1"> <tr> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> </table>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>						
Change of Bottomhole Footage from Exterior Section Lines:	<table border="1"> <tr> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> </table>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>						
Change of Bottomhole Footage to Exterior Section Lines:	<table border="1"> <tr> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> </table>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>						
Bottomhole location Qtr/Qtr, Sec, Twp, Rng, Mer	attach directional survey								
Latitude _____	Distance to nearest property line _____ Distance to nearest bldg, public rd, utility or RR _____								
Longitude _____	Distance to nearest lease line _____ Is location in a High Density Area (rule 603b)? Yes/No <input type="checkbox"/>								
Ground Elevation _____	Distance to nearest well same formation _____ Surface owner consultation date: _____								
GPS DATA:									
Date of Measurement _____	PDOP Reading _____ Instrument Operator's Name _____								
<input type="checkbox"/> CHANGE SPACING UNIT Formation _____ Formation Code _____ Spacing order number _____ Unit Acreage _____ Unit configuration _____	<input type="checkbox"/> Remove from surface bond Signed surface use agreement attached								
<input type="checkbox"/> CHANGE OF OPERATOR (prior to drilling): Effective Date: _____ Plugging Bond: <input type="checkbox"/> Blanket <input type="checkbox"/> Individual	<input type="checkbox"/> CHANGE WELL NAME NUMBER From: _____ To: _____ Effective Date: _____								
<input type="checkbox"/> ABANDONED LOCATION: Was location ever built? <input type="checkbox"/> Yes <input type="checkbox"/> No Is site ready for inspection? <input type="checkbox"/> Yes <input type="checkbox"/> No Date Ready for Inspection: _____	<input type="checkbox"/> NOTICE OF CONTINUED SHUT IN STATUS Date well shut in or temporarily abandoned: _____ Has Production Equipment been removed from site? <input type="checkbox"/> Yes <input type="checkbox"/> No MIT required if shut in longer than two years. Date of last MIT _____								
<input type="checkbox"/> SPUD DATE: _____	<input type="checkbox"/> REQUEST FOR CONFIDENTIAL STATUS (6 mos from date casing set)								
<input type="checkbox"/> SUBSEQUENT REPORT OF STAGE, SQUEEZE OR REMEDIAL CEMENT WORK *submit cbl and cement job summaries Method used _____ Cementing tool setting/perf depth _____ Cement volume _____ Cement top _____ Cement bottom _____ Date _____									
<input type="checkbox"/> RECLAMATION: Attach technical page describing final reclamation procedures per Rule 1004. Final reclamation will commence on approximately _____ <input type="checkbox"/> Final reclamation is completed and site is ready for inspection.									

Technical Engineering/Environmental Notice

<input checked="" type="checkbox"/> Notice of Intent Approximate Start Date: <u>February 4, 2012</u>	<input type="checkbox"/> Report of Work Done Date Work Completed: _____
Details of work must be described in full on Technical Information Page (Page 2 must be submitted.)	
<input type="checkbox"/> Intent to Recomplete (submit form 2) <input type="checkbox"/> Change Drilling Plans <input type="checkbox"/> Gross Interval Changed? <input checked="" type="checkbox"/> Casing/Cementing Program Change	<input type="checkbox"/> Request to Vent or Flare <input type="checkbox"/> Repair Well <input type="checkbox"/> Rule 502 variance requested <input type="checkbox"/> Other: _____
<input type="checkbox"/> E&P Waste Disposal <input type="checkbox"/> Beneficial Reuse of E&P Waste <input type="checkbox"/> Status Update/Change of Remediation Plans for Spills and Releases	

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

Signed: _____ Date: _____ Email: rowe5@slb.com
 Print Name: Wayne Rowe Title: Project Manager

COGCC Approved: *Ken Kij* Title: EIT III Date: FEB 02 2012
 CONDITIONS OF APPROVAL, IF ANY:

At the time of plugging this well, Plug 4, listed in the approved APD comments (Doc # 400205316) must be altered in order to achieve 50' of cement coverage below the surface casing shoe and 50' of cement above the surface casing shoe, both inside the 9-5/8" casing - surface casing/open-hole annulus and inside the 9-5/8" casing.

**RECEIVED**

FEB 01 2012

OGCC/Rifle Office

1. OGCC Operator Number: 10382 API Number: 05-081-07694-00
2. Name of Operator: Schlumberger Carbon Services OGCC Facility ID # 426228
3. Well/Facility Name: RMCCS State Well/Facility Number: No. 1
4. Location (QtrQtr, Sec, Twp, Rng, Meridian): SWSE, Sec 34, T6N, R91W, 6th PM

This form is to be completed whenever a Sundry Notice is submitted requiring detailed report of work to be performed or completed. This form shall be transmitted within 30 days of work completed as a "subsequent" report and must accompany Form 4, page 1.

5. **DESCRIBE PROPOSED OR COMPLETED OPERATIONS**

The original cement design plan for intermediate casing calls for cementing to surface casing (from 5,500' to 1,500'). This was to allow for the potential future conversion of the well to a possible CO2 Class VI injection well. This contingency is no longer a project requirement. Additionally, the well is experiencing lost returns and cementing to surface will require two or three stage cementing operations which will increase project cost and risk. For this reason Schlumberger Carbon Services is requesting permission to revise the intermediate casing cement top from surface casing (1394') to a minimum of 550' above bottom. The revised design calls for 15.8# Class G Tail (219 sacks, 94lb per sack of blend). A detailed design document is attached to the notice.

Casing Cementing



Company: SLB Carbon Services

Well Name: RMCCS #1

Field:

County: Moffat

State: CO

Date: 1/4/2012

Well Location: Craig, CO

API Number:

Proposal Number: 1

Contact:

Made By: Matt Hudson

Service from District: Grand Junction, CO

District Phone: 303-486-3245

Objective: Intermediate Casing Job:

5500ft 9 5/8" 36# J55 LTC

12.25" OH, 30% XS

15.8# G tail 600 ft of tail

165F BHST

8.6# MW

CW-7 & H2O spacer

Disclaimer Notice

This information is presented in good faith, but no warranty is given by us. Schlumberger assumes no liability for advice or recommendations made concerning the use of any product or service. The results given are estimates based on calculations produced by a computer model including various assumptions on the well, reservoir and fluid flow. The results depend on input data provided by the Customer and estimates as to unknown data and can be more accurate than the model, the assumptions and/or input data. The information presented is Schlumberger's best estimate of the results that may be achieved and should be used for comparison purposes rather than absolute values. The quality of input data and hence results may be improved through the use of certain tests and procedures as noted. Schlumberger shall accept no responsibility for misinterpretation of data or of Schlumberger or others is not to be inferred for any such rights granted unless expressly agreed to in writing.

Schlumberger



EXECUTIVE SUMMARY

Enclosed are our recommendations for Schlumberger intervention on the referenced well. The proposal includes well data, design data, materials and resources requirements and cost estimates. The purpose of our services is to perform a Casing Cementing treatment.

Schlumberger has established a safety policy to which all Schlumberger personnel must adhere. A pre-job safety meeting will be held with customer representatives and other on location personnel to familiarize everyone with existing hazards and safety procedures. We would appreciate close cooperation between the customer representative and the Schlumberger representative to ensure a safe operation.

The estimated total cost of our services is **\$ 17,865.47**. All costs are estimates only. Actual costs will be determined by time, material and equipment used during treatment. Taxes are not included. All work will be subject to Schlumberger then-current General Terms and Conditions or to the terms and conditions of a Master Service Agreement if one is in force between Schlumberger and Customer. This quote is valid for a period of thirty (30) days from the date submitted.

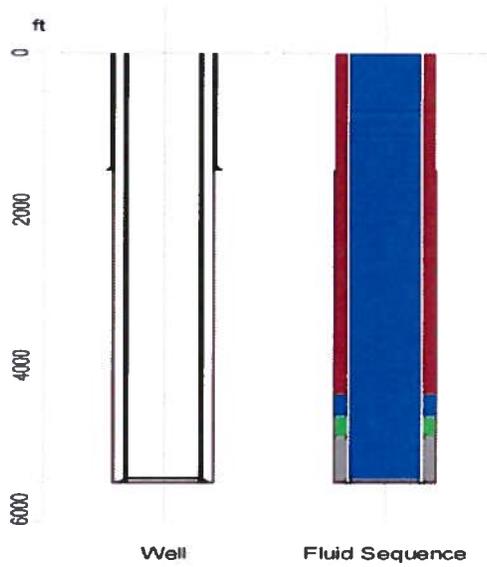
Thank you for considering Schlumberger.
Please do not hesitate to contact me with any questions or concerns.

Sincerely,

Matt Hudson
303-862-1701
mhudson2@slb.com



WELL DATA



Well Data	
Job Type :	Casing Cementing
Total Depth (Measured) :	5500.0 ft
True Vertical Depth (TVD) :	5500.0 ft
BHST (Tubular Bottom Static Temperature) :	165 degF
BHCT (Tubular Bottom Circulating Temperature) :	114 degF

Open Hole		
Mean Diameter without Excess	Bottom Depth	Annular Excess
12.250 in	5500.0 ft	30.0 %

Previous Casing					
OD	Weight	Grade	Thread	Inner Capacity	Bottom Depth
13 3/8 in	54.5 lb/ft	J-55	STC	0.87 ft ³ /ft	1500.0 ft

Casing					
OD	Weight	Grade	Thread	Inner Capacity	Bottom Depth
9 5/8 in	36.0 lb/ft	J-55	LTC	0.43 ft ³ /ft	5500.0 ft

IMPORTANT:
The well data shown on this page is based on information available when this treatment program was prepared. This data must be confirmed on location with the well site supervisor prior to the treatment. Any changes in the well data need to be reviewed for their impact on the treatment design.

Annular Capacity (without Excess) : Casing Bottom / Open Hole : 0.31 ft³/ft
Annular Capacity (without Excess) : Previous Casing Bottom / Casing : 0.36 ft³/ft

Fluid Placement			
Fluid Name	Volume bbl	Density lb/gal	Top of Fluid ft
Water	20.0	8.32	4367.6
CW-7	20.0	8.32	4643.4
15.8# Class G Tail	45.2	15.80	4919.2
Water	422.1	8.32	0.0

Total Liquid Volume : 507.3 bbl



FLUID SYSTEMS

Water			
System	Water		
Density	8.32 lb/gal		
Total Volume	442.1 bbl		
Additives	Code	Description	Concentration

CW-7			
System	CW7		
Density	8.32 lb/gal		
Total Volume	20.0 bbl		
Additives	Code	Description	Concentration

15.8# Class G Tail (219 sacks, 94 lb per sack of Blend)			
System	Conventional		
Density	15.80 lb/gal		
Yield	1.16 ft ³ /sk		
Mixed Water	5.071 gal/sk		
Mixed Fluid	5.071 gal/sk		
Total Volume	45.2 bbl		
Additives	Code	Description	Concentration
	G	Cement	94.00 lb/sk WBWOB
	D112	Fluid loss	0.4 % BWOB
	D013	Retarder	0.1 % BWOB
	D046	Anti Foam	0.5 % BWOB
	D029	Lost Circulation Control Agent	0.25 lb/sk WBWOB
	D065	Dispersant	0.2 % BWOB

Some of the chemicals specified in this program may have toxic properties. All personnel should be familiar with the inherent dangers and appropriate safeguards to prevent accidental injury. Use of the chemicals may be governed by certain laws and regulations and should only be used in accordance with such. Please refer to the MSDS sheets for the recommended safety precautions and required minimum personal protective equipment.

PROCEDURES

1. MI (Move in) Schlumberger equipment.
2. Conduct Rig-up, Prime-up and pressure test safety meeting.
3. RU (Rig up) Schlumberger equipment and pressure test to customer master valve.
4. Conduct pre-job safety meeting.
5. Perform treatment per design pumping schedule and instructions of client representative.
6. Conduct post job rig down meeting.
7. Rig down Schlumberger equipment.
8. Conduct convoy meeting and move out Schlumberger equipment.



PRICE ESTIMATE

Equipment and Services						
Code	Standard Description	Quantity	Unit List Price	Total List Price \$	Discount Rate	Discounted Price \$
48019000	Bulk Unit, Cement Add Hr	4 HR	115.00	460.00	30 %	322.00
48601000	Cement Plug Container	1 JOB	556.40	556.40	30 %	389.48
49100000	Cement Blending Charge	219 CF	2.43	532.17	30 %	372.52
49102000	Transportation, Cement Ton-mile	1561 MI	2.16	3,371.76	30 %	2,360.23
56702095	Plug, Cementing Top Plastic 9.625 in	1 EA	500.00	500.00	30 %	350.00
58498000	Taxes	1 JOB	239.34	239.34	0 %	239.34
59200002	Transportation, Mileage Heavy Vehicles	300 MI	5.91	1,773.00	30 %	1,241.10
59200005	Transportation, Mileage Light Vehicles	300 MI	3.47	1,041.00	30 %	728.70
59597004	CemCAT Monitoring System	1 JOB	941.60	941.60	30 %	659.12
102871060	Pump, Casing Cement 5501-6000 ft	1 EA	3,745.00	3,745.00	30 %	2,621.50
102946000	Fuel Surcharge (non-discounted)	3 EA	450.00	1,350.00	0 %	1,350.00
107264001	Regulatory Conformance Charge	3 EA	364.87	1,094.61	0 %	1,094.61

Subtotals: \$ 15,604.88 \$ 11,728.60

Materials						
Code	Standard Description	Quantity	Unit List Price	Total List Price \$	Discount Rate	Discounted Price \$
D013	Retarder	21 LB	2.79	58.59	30 %	41.01
D029	Cellophane Flakes	55 LB	5.25	288.75	30 %	202.13
D046	Antifoam Agent, All Purpose	103 LB	5.90	607.70	30 %	425.39
D065	TIC Dispersant	41 LB	7.86	322.26	30 %	225.58
D112	FLAC Fluid Loss Additive	82 LB	15.20	1,246.40	30 %	872.48
D826	Chemical Wash CW7	20 BBL	47.94	958.80	30 %	671.16
D907	Cement, Class G	219 CF	24.13	5,284.47	30 %	3,699.13

Subtotals: \$ 8,766.97 \$ 6,136.88

Total Discount:	\$	6,506.38
Job Price Estimate*:	\$	17,865.47