

State of Colorado
Oil and Gas Conservation Cc

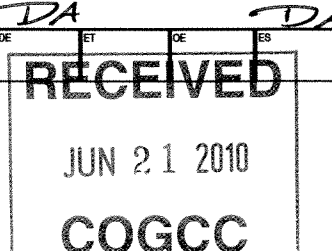
1120 Lincoln Street, Suite 801, Denver Colorado 80203 (303) 894-2100 Fax (303) 894-2109



02054443

WELL ABANDONMENT REPORT

Submit original plus one copy. This form is to be submitted as an intent whenever a plugging is planned on a borehole. The approved intent shall be valid for twelve months after the approval date after that period a new intent will be required. After the plugging is complete, this form and one copy shall again be submitted as a subsequent report of the work as actually completed.



COGCC Operator Number: <u>51090</u>		Contact Name & Telephone Joe Dyk	24 hour notice required, contact: Tel: _____
Name of Operator: Lone Mountain Production Company		No: 970-250-9770	
Address: PO Box 80965		Fax: 970-858-4163	Complete the Attachment Checklist OGCC Wellbore Diagram Cement Job Summary Wireline Job Summary
City: Billings State: MT Zip: 59108			
API Number 0507705133			
Well Name: Bar-X Unit Well Number: 1			
Location (Qtr, Sec, Twp, Rng, Meridian): NWNW Section 31-T8S-R104W			
County: Mesa Federal, Indian or State Lease Number: D-052915			
Field Name: Bar-X Field Number: 5470			

☐ Notice of Intent to Abandon☒ Subsequent Report of Abandonment

Only Complete the Following Background Information for Intent to Abandon

Latitude: 109° 02.306' Longitude: 39° 19.766' LAT 39.32993 LONG -109.03843

Date of Measurement: 06/17/2010 PDOP Reading: 2.0 Instrument Operator's Name: Joe Dyk

Reason for Abandonment: ☐ Dry ☒ Production Sub-economic ☐ Mechanical Problems ☐ Other _____

Casing to be Pulled: ☐ Yes ☒ No Top of Casing Cement: _____

Fish in Hole: ☐ Yes ☒ No If yes, explain details below _____

Wellbore has Uncemented Casing Leaks: ☐ Yes ☒ No If yes, explain details below _____

Details: _____

Current and Previously Abandoned Zones

Formation	Perforations - Top	Perforations - Bottom	Date Abandoned	Method of Isolation (None, Squeezed, BP, Cement, etc.)	Plug Depth
Dakota	2838	2880	6/2/10	BP and 3 sacks cement dump bailed	2820'

Casing History

String	Size of Hole	Size of Casing	Weight per ft	Setting Depth	Sacks Cement	Cement Bottom	Cement Top
Surf		10.75"	32.75 lb	337'	250	337'	0
Prod	8.75	5.5	15.5	2996'	180	2996'	unknown

Plugging Procedure for Intent and Subsequent Report

CIBP #1: Depth 2820 with 3 sacks cmt on top. CIBP #2: Depth _____ with _____ sacks cmt on top.

Set 150 sks cmt from 487 ft. to _____ ft. in ☐ Casing ☐ Open Hole ☒ Annulus

Set 45 sks cmt from 487 ft. to _____ ft. in ☒ Casing ☐ Open Hole ☐ Annulus

Set _____ sks cmt from _____ ft. to _____ ft. in ☐ Casing ☐ Open Hole ☐ Annulus

Set _____ sks cmt from _____ ft. to _____ ft. in ☐ Casing ☐ Open Hole ☐ Annulus

Set _____ sks cmt from _____ ft. to _____ ft. in ☐ Casing ☐ Open Hole ☐ Annulus

Perforate and squeeze at 487 387 ft. with 195 sacks Leave at least 100 ft. in casing

Perforate and squeeze at _____ ft. with _____ sacks Leave at least 100 ft. in casing

Perforate and squeeze at _____ ft. with _____ sacks Leave at least 100 ft. in casing

Set _____ sacks half in, half out surface casing from _____ ft. to _____ ft.

Set _____ sacks at surface

Cut four feet below ground level, weld on plate

Set _____ sacks in rat hole

Dry-Hole Marker: ☐ Yes ☒ No

Set _____ sacks in mouse hole

Additional Plugging Information for Subsequent Report Only

Casing Recovered: 0 ft. of _____ in casing

*Wireline Contractor: DLD

Type of Cement and Additives Used: Class G

*Attach job summaries.

Plugging date: June 2, 2010

*Cementing Contractor: Bernard well service

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

Print Name: Joe Dyk Email: joedyk@aol.com

Signed: _____ Title: Petroleum Engineer Date: 6/16/10

OGCC Approved: Daniel And Title: PE II Date: 7/27/2010

CONDITIONS OF APPROVAL, IF ANY:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires July 31, 2010

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.

5. Lease Serial No.
D-052915

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
Lone Mountain Production Company

3a. Address
P. O. Box 80965
Billings, MT 59108

3b. Phone No. (include area code)
406-245-5077

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

8. Well Name and No
Bar X Unit No. 1

9. API Well No.
0507705133

10. Field and Pool or Exploratory Area
Bar X Unit

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
NWNW Sec. 31, T8S, R104W

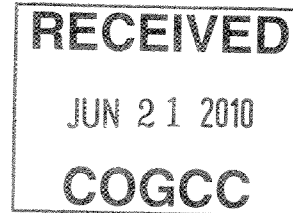
11. Country or Parish, State
Mesa County, Colorado

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 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"/> Fracture Treat	<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 checked="" 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 recompleat 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 recompleat 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.)

See attached plugging procedure.



RECEIVED
MOAB FIELD OFFICE
2010 MAY 27 AM 10:45

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

Title Petroleum Engineer

Signature

Date 05/25/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Assistant Field Manager

Date 6/8/10

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.

Division of Resources
Office

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.

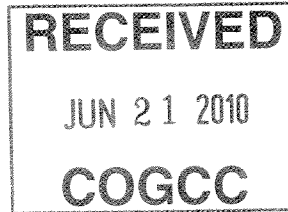
(Instructions on page 2)

APPROVED BY COGCC

COGCC

CONDITIONS OF APPROVAL ATTACHED

Notice of Intent to Abandon
Lone Mountain Production Company
Bar-X Unit No. 1
Lease COD-052915
Bar-X Unit
Section 31, T8S, R104W
Mesa County, Colorado



NOTE: These conditions of approval document the plugging procedure and verbal approval to proceed as discussed between Eric Jones, BLM, and Joe Dyk, Lone Mountain, on 5/25/10.

CONDITIONS OF APPROVAL

1. Notify Jeff Brown (435-459-4886) of the BLM Monticello Field Office at least 24-hours prior to starting plugging operations.
2. Within 30-days of plugging the well, submit a subsequent report of abandonment on a sundry notice (Form 3160-5). The report should describe all work that was done, including cement volumes, plug depths, etc.
3. Should you have any questions regarding this approval, please call Eric Jones (435-259-2117) of the BLM Moab Field Office.
4. After recontouring the well pad and access road, the disturbed areas shall be seeded by methods proposed in the APD with the following mixture:

Indian Ricegrass	5 lb/acre pure live seed
Slender Wheatgrass	4 lb/acre pure live seed
Fourwing Saltbush	2 lb/acre pure live seed

5. Should you have any questions regarding surface reclamation, please contact Ben Kniola (435-259-2127) or Dave Skinner (435-259-2145) of the BLM Moab Field Office.

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JUN 21 2010

COGCC

P&A Procedure
Bar-X No. 1
Lone Mtn. Prod.

Lease D-052915
Bar-X Unit
NW/NW Sec 31 8S-104W
Mesa County, Colorado

Drilled in 1953
Tubing previously removed from well.

Mancos



337' 10-3/4", 40.5#, J-55 in 15" hole, to surface w/ 250 sx
387' perfs

Procedure--verbal from Joe Dyk, Lone Mtn to Eric Jones, BLM:

- 1) Set CIBP ~2820' and dump bail 35'+ cement on top.
- 2) Perf sqz holes at 387'.
- 3) Run tbg to ~CIBP. Circ gelled wtr (1 sx /5 bbl) throughout.
- 4) Circ cement through sqz perfs back to surface in 5-1/2" & ann.

gelled
water

TOC ??, unknown hole size

2405' Frontier (Ferron)

2802' Dakota

CIBP 2820' w/ 35'+ cmt, dump bailed, min.

2838'-2880'

2844' Morrison?

PBTD 2986'

2986' 5-1/2", 15.5#, unknown grade in unknown hole size w/180 sx

TD 3550'

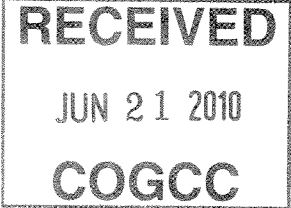
3168' Salt Wash ?

Plugged-back to 2865', re-drilled to 2987', then set csg. 1953.

3499' Entrada Ss

ecj 5/26/10

Lone Mountain Production Company
Bar-X Unit No 1
NWNW Section 31-T8S-R104W
Mesa County, Colorado
Plugging procedure



Spud: March, 1953
Surface csg: 10-3/4", 32.75 lb at 337' cmt w/ 250 sacks to surface
Prod csg: 5-1/2", 15.5 lb J55 at 2996' cmt w/ 180 sks
TOC: unknown
Perfs: 2838' to 2880' 4 jspf

1. MIRU WO rig. ND tubing head NU BOP.
2. Set CIBP at 2820' and dump bail (35 feet) 3 sx cement on top.
3. Perf 4 shots at 387'. RD wireline
4. Trip in with tubing to 2700' and circulate casing full of light mud. (1 sack gel for 5 bbls water).
5. Trip out and lay down tubing. ND BOP.
6. Establish circulation down 5-1/2" casing and up 10-3/4" casing through perfs at 387'.
7. Cement with ___ sacks cement or until cement fills from 387' to surface.
8. Cut off 3 feet below ground and weld marker plate on top of casing.

Bernard Well Service

P.O. Box 1789
Grand Junction, CO 81502
(303) 913-0715

Terms: Net 30 Days
1 1/2% Per Month Will Be Charged
After 30 Days

No.: 0025

BERNARD WELL SERVICE INVOICE # _____

DATE: 6-2-10 WELL NAME: Bar X Unit #1 RIG #: 2

TOTAL JNTS IN WELL: 0 YELLOW _____ BLUE _____ RED _____

CIBP SET @ 2820' & _____ & _____

PERF CSG @ 387 @ _____ @ _____

CICR @ _____ @ _____

PLUG #1 @ 387 WITH 195 SACKS 46 IN CSG 149 OUT PERFS

PLUG #2 @ _____ WITH _____ SACKS _____ IN CSG _____ OUT PERFS

PLUG #3 @ _____ WITH _____ SACKS _____ IN CSG _____ OUT PERFS

PLUG #4 @ _____ WITH _____ SACKS _____ IN CSG _____ OUT PERFS

SHOE PLUG @ _____ WITH _____ SACKS TAG @ _____

SURFACE PLUG FROM 387 TO SURFACE WITH 195 SACKS

TOTAL SACKS PUMPED IN WELL = 195 SACKS

P & A BID = ^{1/2} 3 DAYS RIG & 200 SACKS CEMENT = \$12,500⁰⁰

CEMENT OVER 200 SKS @ \$25.00 PER SACK: ¹⁰⁰ 95 x \$25.00 = \$ 2,375⁰⁰

TRUCKING HRS: _____ x \$125.00 PER HR = \$ _____

WENCH TRUCK HRS: _____ x \$145.00 PER HR = \$ _____

CONSULTING FEE FOR _____ DAYS @ \$500.00 PER DAY = \$ _____

EXTRA DAYS OVER 3 DAYS @ \$5000.00 PER DAY = \$ 417

MISCELLANEOUS CHARGES _____ = \$ _____

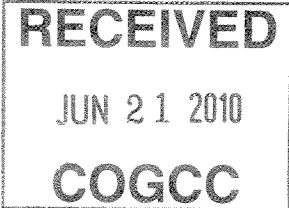
INVOICE TOTAL = \$ 14,875⁰⁰ AFE# _____

BLM HAND ON LOCATION Jeff Brown UTAH

REMARKS: _____

THANK YOU FOR YOUR BUSINESS

APPROVED BY: [Signature]



Field Ticket

DLD Pipe Recovery Services, LLC
2451 Broadway
Grand Junction, CO 81503
(970) 263-4800

Date

6/2/2010

Invoice #

173

Bill To

Lone Mountain Production Co.
Joe Dyk

API Number:

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JUN 21 2010

COGCC

Company Representative

Joe Dyk

Well Information

Well Name:

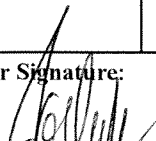
Section: Township: Range:

County: State:

Bar X Unit #1

31 8S 104W

Mesa, Colorado

Quantity	Description	U/M	Rate	Amount
2,000	Junk Basket/Gauge Ring Depth Charge	ft	0.05	100.00
1	Junk Basket/Gauge Ring Operation Charge	ea	200.00	200.00
1	Shorty Setting Tool	ea	500.00	500.00
1	5 1/2" Standard (CIBP) Bridge Plug	ea	850.00	850.00
2,820	Dump Bailer Depth Charge	ft	0.05	141.00
1	Dump Bailer Operation Charge	ea	500.00	500.00
2,000	Squeeze Gun Depth Charge (2000' min) Perf @ 387'	ft	0.05	100.00
1	Squeeze Gun Operation Charge	ea	500.00	500.00
Customer Signature:		State of Colorado Explosive Permit # 3915		Total \$2,891.00
		Dale Daniels 