

Document Number:  
400629980

Date Received:  
06/20/2014

**WELL ABANDONMENT REPORT**

This form is to be submitted as an Intent to Abandon whenever an abandonment is planned on a borehole. After the abandonment is complete, this form shall again be submitted as a Subsequent Report of the actual work completed. The approved intent shall be valid for six months after the approval date, after that period, a new intent will be required. Attachments required with the Intent to Abandon are wellbore diagrams of the current configuration and the proposed configuration with plugs set.

A Subsequent Report of Abandonment shall indicate the actual work completed. Attachments required with a Subsequent Report are a wellbore diagram showing plugs that were set and casing remaining in the hole, the job summaries from all plugging contractors used, including wireline and cementing (third party verification) and any logs that may have been run during abandonment.

OGCC Operator Number: 53255 Contact Name: Naomi Azulai

Name of Operator: MARALEX RESOURCES, INC Phone: (970) 563-4000

Address: P O BOX 338 Fax: (970) 563-4116

City: IGNACIO State: CO Zip: 81137 Email: naomi@maralexinc.com

**For "Intent" 24 hour notice required,** Name: KELLERBY, SHAUN Tel: (970) 285-7235

**COGCC contact:** Email: shaun.kellerby@state.co.us

API Number 05-077-08597-00

Well Name: HANCOCK GULCH Well Number: 1-15 CBM

Location: QtrQtr: NENE Section: 15 Township: 8S Range: 98W Meridian: 6

County: MESA Federal, Indian or State Lease Number: 35955

Field Name: SOUTH SHALE RIDGE Field Number: 77760

Notice of Intent to Abandon       Subsequent Report of Abandonment

*Only Complete the Following Background Information for Intent to Abandon*

Latitude: 39.365214 Longitude: -108.305325

GPS Data:  
Date of Measurement: 11/08/2010 PDOP Reading: 6.0 GPS Instrument Operator's Name: M.Nastal

Reason for Abandonment:  Dry     Production for Sub-economic     Mechanical Problems  
 Other \_\_\_\_\_

Casing to be pulled:  Yes     No    Estimated Depth: \_\_\_\_\_

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

Wellbore has Uncemented Casing leaks:  Yes     No    If yes, explain details below

Details: As shown on the wellbore diagram, there are possible casing leaks at 166' and 2375'-2405'.

**Current and Previously Abandoned Zones**

| Formation  | Perf. Top | Perf. Btm | Abandoned Date | Method of Isolation | Plug Depth |
|------------|-----------|-----------|----------------|---------------------|------------|
| CAMEO COAL | 3265      | 3408      |                |                     |            |

Total: 1 zone(s)

**Casing History**

| Casing Type | Size of Hole | Size of Casing | Weight Per Foot | Setting Depth | Sacks Cement | Cement Bot | Cement Top | Status |
|-------------|--------------|----------------|-----------------|---------------|--------------|------------|------------|--------|
| SURF        | 12+1/4       | 8+5/8          | 24              | 112           | 110          | 112        | 0          | VISU   |
| 1ST         | 7+7/8        | 4+1/2          | 10.5            | 3,530         | 450          | 3,530      | 2,540      | CBL    |

## Plugging Procedure for Intent and Subsequent Report

CIBP #1: Depth 3250 with 5 sacks cmt on top. CIBP #2: Depth 170 with 40 sacks cmt on top.  
CIBP #3: Depth \_\_\_\_\_ with \_\_\_\_\_ sacks cmt on top. CIBP #4: Depth \_\_\_\_\_ with \_\_\_\_\_ sacks cmt on top.  
CIBP #5: Depth \_\_\_\_\_ with \_\_\_\_\_ sacks cmt on top.

NOTE: Two(2) sacks cement required on all CIBPs.

Set 10 sks cmt from 2355 ft. to 2255 ft. Plug Type: CASING Plug Tagged:   
Set \_\_\_\_\_ sks cmt from \_\_\_\_\_ ft. to \_\_\_\_\_ ft. Plug Type: \_\_\_\_\_ Plug Tagged:   
Set \_\_\_\_\_ sks cmt from \_\_\_\_\_ ft. to \_\_\_\_\_ ft. Plug Type: \_\_\_\_\_ Plug Tagged:   
Set \_\_\_\_\_ sks cmt from \_\_\_\_\_ ft. to \_\_\_\_\_ ft. Plug Type: \_\_\_\_\_ Plug Tagged:   
Set \_\_\_\_\_ sks cmt from \_\_\_\_\_ ft. to \_\_\_\_\_ ft. Plug Type: \_\_\_\_\_ Plug Tagged:

Perforate and squeeze at 2366 ft. with 20 sacks. Leave at least 100 ft. in casing 2355 CICR Depth

Perforate and squeeze at 700 ft. with 40 sacks. Leave at least 100 ft. in casing 600 CICR Depth

Perforate and squeeze at 470 ft. with 30 sacks. Leave at least 100 ft. in casing \_\_\_\_\_ CICR Depth

(Cast Iron Cement Retainer Depth)

Set \_\_\_\_\_ sacks half in. half out surface casing from \_\_\_\_\_ ft. to \_\_\_\_\_ ft. Plug Tagged:

Set 10 sacks at surface

Cut four feet below ground level, weld on plate Above Ground Dry-Hole Marker:  Yes  No

Set \_\_\_\_\_ sacks in rat hole Set \_\_\_\_\_ sacks in mouse hole

### Additional Plugging Information for Subsequent Report Only

Casing Recovered: \_\_\_\_\_ ft. of \_\_\_\_\_ inch casing Plugging Date: \_\_\_\_\_

\*Wireline Contractor: \_\_\_\_\_ \*Cementing Contractor: \_\_\_\_\_

Type of Cement and Additives Used: \_\_\_\_\_

Flowline/Pipeline has been abandoned per Rule 1103  Yes  No \*ATTACH JOB SUMMARY

Technical Detail/Comments:

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

Signed: \_\_\_\_\_ Print Name: Naomi Azulai

Title: Production Technician Date: 6/20/2014 Email: naomi@maralexinc.com

Based on the information provided herein, this Well Abandonment Report (Form 6) complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved: BURGER, CRAIG Date: 6/27/2014

**CONDITIONS OF APPROVAL, IF ANY:** \_\_\_\_\_

Expiration Date: 12/26/2014

| <u>COA Type</u> | <u>Description</u>  |
|-----------------|---|
|                 | Reshoot GPS as part of plugging operation. GPS data listed on this Form 6 plots in Section 14 8S 98W.   |
|                 | 1) Provide 48 hour notice of plugging MIRU via electronic Form 42.<br>2) Properly abandon flowlines per Rule 1103. File electronic Form 42 when flowline abandonment is complete.<br>3) All plugs must have a minimum of 100' cement left in the casing. For cement retainers that are set 50' above squeeze perms, a minimum of 50' cement must be placed on top of the retainer. Alternatively, the cement retainers may be moved 100' above the perforations with a minimum of 2 sx cement placed on top of the retainer.<br>4) Specific requirements to tag certain plugs added. Tag plug at 2255'. |

### Attachment Check List

| <u>Att Doc Num</u> | <u>Name</u>                 |
|--------------------|-----------------------------|
| 400629980          | FORM 6 INTENT SUBMITTED     |
| 400630019          | WELLBORE DIAGRAM            |
| 400630021          | PROPOSED PLUGGING PROCEDURE |

Total Attach: 3 Files

### General Comments

| <u>User Group</u> | <u>Comment</u>   | <u>Comment Date</u>      |
|-------------------|--|--------------------------|
| Engineer          | <p>Added Plugs: Perforate at 700' with CICR at 600' and 40 sxs. Perforate at 470' with 30 sxs and place CIBP at 170 with 40 sxs or circulate cement to surface.</p> <p>Changed formation to match production records (cameo sands-coal to cameo coal). Revised plugging procedure tab to match attached diagram. Moved perf and squeeze plug at 166' to 40 sxs on top of CIBP at 170' due to space constraints in form.</p> <p>Planned horizontal mancos wellbore about 90' horizontally from this vertical well is at a depth of ~7000 ft, about 3500' below this well's TVD of 3530'.</p> <p>Surface casing setting depth is not 50' deeper than the deepest water well within 1-mile when corrected for elevation. The deepest water well within 1-mile is 100' deep and the bottom is at an elevation of ~5300'. The surface casing is set at an elevation of 5469'.</p> | 6/23/2014<br>10:56:13 AM |
| Permit            | <p>Passes Permitting: Form 5 and 5A is doc 397819, CBL is 397812. Added perforated interval from wellbore diagram.</p> <p>GPS data plots in Section 14. Reshoot GPS as part of plugging procedure.</p>   | 6/23/2014<br>8:03:22 AM  |

Total: 2 comment(s)