

Document Number:
400631203

Date Received:
07/07/2014

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: 10254 Contact Name: Donna Pitre

Name of Operator: RED MESA HOLDINGS/O&G LLC Phone: (970) 588-3302

Address: 5619 DTC PARKWAY - STE 800 Fax: (970) 588-3562

City: GREENWOOD State: CO Zip: 80111 Email: dpitre@madisoncap.com

For "Intent" 24 hour notice required, Name: Maclaren, Joe Tel: (970) 382-1680

COGCC contact: Email: joe.maclaren@state.co.us

API Number 05-067-06069-00

Well Name: KROEGER-FERGUSON NO 2 Well Number: KF-3

Location: QtrQtr: NESE Section: 27 Township: 33N Range: 12W Meridian: N

County: LA PLATA Federal, Indian or State Lease Number: _____

Field Name: RED MESA Field Number: 72890

Notice of Intent to Abandon Subsequent Report of Abandonment

Only Complete the Following Background Information for Intent to Abandon

Latitude: 37.074490 Longitude: -108.131930

GPS Data:
Date of Measurement: 10/16/2008 PDOP Reading: 1.9 GPS Instrument Operator's Name: Sam Peterson

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: _____

Current and Previously Abandoned Zones

Formation	Perf. Top	Perf. Btm	Abandoned Date	Method of Isolation	Plug Depth
DAKOTA	3172	3290			
MESAVERDE	2895	2950			

Total: 2 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	9+7/8	7	20	1,300	0	0	0	
1ST	6+1/8	4+1/2	10.5	3,188	125	3,189	2,804	VISU

Plugging Procedure for Intent and Subsequent Report

CIBP #1: Depth 2745 with 12 sacks cmt on top. CIBP #2: Depth _____ with _____ 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 12 sks cmt from 2745 ft. to 2645 ft. Plug Type: CASING Plug Tagged:
Set 28 sks cmt from 1945 ft. to 1845 ft. Plug Type: CASING Plug Tagged:
Set 32 sks cmt from 1400 ft. to 1300 ft. Plug Type: CASING Plug Tagged:
Set 21 sks cmt from 1295 ft. to 1195 ft. Plug Type: CASING Plug Tagged:
Set 29 sks cmt from 645 ft. to 512 ft. Plug Type: CASING Plug Tagged:

Perforate and squeeze at _____ ft. with _____ sacks. Leave at least 100 ft. in casing _____ CICR Depth
Perforate and squeeze at 1945 ft. with 16 sacks. Leave at least 100 ft. in casing 1895 CICR Depth
Perforate and squeeze at 1295 ft. with 321 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 _____ 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:

505-320-3722

The surface plug will be 20 sx cmt.

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

Signed: _____ Print Name: Monty Collins

Title: Production Consultant Date: 7/7/2014 Email: patch1094@yahoo.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: WEEMS, MARK Date: 7/21/2014

CONDITIONS OF APPROVAL, IF ANY: _____ Expiration Date: 1/20/2015

<u>COA Type</u>	<u>Description</u>
	<p>1) Notify COGCC regional engineer 48 hrs prior to MIRU at mark.weems@state.co.us or 970-259-4587.</p> <p>2) Purge the flow lines, cut off 3'-4' deep, and cap. Remember to note on form 6, page two under the Additional Plugging Information for Subsequent Report Only. (COGCC Rule 1103)</p> <p>3) Prior to killing the well, measure the surface casing pressure (Braden Head)</p> <p>a. Report the Braden head pressure</p> <p>b. Blow down Braden head pressure</p> <p>c. Continue to monitor the surface casing pressure throughout the PA</p> <p>d. Check for gas venting outside the surface casing (gas monitor or bubbles in water pool)</p> <p>4) Pressure test casing(s)</p> <p>5) Leave a vent hole in casing/marker to avoid trapping any residual pressure in the casing(s)</p>

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
400631203	FORM 6 INTENT SUBMITTED
400640053	PROPOSED PLUGGING PROCEDURE
400640054	WELLBORE DIAGRAM
400640057	WELLBORE DIAGRAM

Total Attach: 4 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	<p>Unfortunately we have no logs on file for this well. I have correlated tops to a couple offsets where we have logs. My best guess on top of the Dakota is at ~3110 BGS . It appears this well has been completed both in the Juana Lopez and Dakota just looking at the perf. records on file.</p> <p>As far as the top of the Mesa Verde, we are in the MV group at the surface (Lewis Shale). Correlation gives us the top of the Pt Lookout at ~827 BGS. Top of the Menefee ~495 BGS. Let me know if you need anything else from this end. per Operator.</p>	7/10/2014 2:14:40 PM
Permit	Requested formation tops for the Mesa Verde and the Dakota.	7/9/2014 7:21:58 AM

Total: 2 comment(s)