



Cost Estimate

Plug and Abandonment

Mr. Bill McNabb
Nighthawk Energy

P&A bid for 6 wells in Lincoln County, Colorado

Mr. McNabb,

A generic procedure for these wells is:

CIBP and 20 sacks above the perforations
Roll the hole with produced water and pressure test casing
If pressure test fails call for orders
Set 100' plug across the TOC
Perf at the base of surface and circulate cement to surface

The Jolly Ranch 16-1 has deep surface. In this case I expect to recover casing.

We would pay \$.60/ft for 2 3/8", \$.80/ft for the 2 7/8", \$3.50 per rod, \$25,000 for the 320 pumping units, \$12,000 for the 228, \$5,000 for the Ajaxes, and \$3,000 for the Arrow. The pumping unit and engine values would be subject to inspection.

Per the generic procedure we would plug and abandon the wells for the following:

Craig 10-28

~~\$4,000~~

This bid includes:

- 390 sxs of 15.8# class G neat 1.15 cu.ft./Sack
20 sxs at 6,350' (107' in the 7"), 20 at 3,300', and
350 sxs at surface (463' in the 13 3/8")
(Note: Additional cement will be charged at \$42/sack pumped)
- Wireline Perforation at 461'
- 7" CIBP at 6,350'

Craig 12-28

~~\$4,000~~

This bid includes:

- 390 sxs of 15.8# class G neat 1.15 cu.ft./Sack
20 sxs at 6,525', 20 at 3,300', and 350 sxs at surface

(Note: Additional cement will be charged at \$42/sack pumped)

- Wireline Perforation at 450'

Jolly Ranch 2-1

~~XXXXXX~~

This bid includes:

- 390 sxs of 15.8# class G neat 1.15 cu.ft./Sack
20 sxs (107') at 6,790', 20 at 4,200', and
350 sxs at surface (463' in the 13 3/8")
(Note: Additional cement will be charged at \$42/sack pumped)
- Wireline Perforation at 487'
- 4 1/2" CIBP at 6,790'

Jolly Ranch 10-5

~~XXXXXX~~

This bid includes:

- 390 sxs of 15.8# class G neat 1.15 cu.ft./Sack
20 sxs (263' in the 4 1/2") at 6,400', 20 at 3,800', and
350 sxs at surface
(Note: Additional cement will be charged at \$42/sack pumped)
- Wireline Perforation at 429'
- 4 1/2" CIBP at 6,400'

Jolly Ranch 16-1

~~XXXXXX~~ plus the casing

This bid includes:

- 180 sxs of 15.8# class G neat 1.15 cu.ft./Sack
20 sxs at 6,600', 20 at 4,100', and 100 sxs at 3,133'-2,900',
And 40 at surface
(Note: Additional cement will be charged at \$42/sack pumped)
- Wireline casing cut at 3,133'
- 5 1/2" CIBP at 6,600'

Pikes Peak Williams 4-30

~~XXXXXX~~

This bid includes:

- 160 sxs of 15.8# class G neat 1.15 cu.ft./Sack
20 sxs at 6,360', 20 at 2,860', and 120 sxs at surface (385' in the 8 5/8")
(Note: Additional cement will be charged at \$42/sack pumped)
- Wireline Perforation at 378'
- 5 1/2" CIBP at 6,366'

This bid does not include:

- A tubing workstring

(If needed, a 2-3/8" N-80 workstring will be provided at \$0.40/ft. + Freight)

- Hot Oiling, "Catting" in equipment, Removal of tank batteries
- **Disposal of fluids**
- Combating water flows
- Dirt work beyond filling in the wellhead
- Any required roadwork/repair required to allow access and egress before/after P&A
- Outside services and fresh water charged at going rates
- Anchor setting and testing

If down hole problems are encountered (hunting casing leaks, cannot get plugs to setting depths, extra squeezes, need to fish, stuck packers, etc.) and/or the State or BLM changes the procedure on location, extra rig time is charged at Western Colorado Price Schedule rates

Operator will be responsible for setting/testing the rig anchors prior to moving in the rig. The well should be blown down prior to moving in the rig if possible.

Please call myself or Dave Rebol (970)-867-9007 if you have any questions or concerns. We appreciate the opportunity to compete for your work and we look forward to hearing from you soon.

Thank you,

Chad Vannest
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