

Document Number:
400869080

Date Received:
07/17/2015

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: 10383 Contact Name: Tom Metzger

Name of Operator: SOVEREIGN OPERATING COMPANY LLC Phone: (303) 2970347

Address: 475 17TH STREET #1200 Fax: (303) 5865074

City: DENVER State: CO Zip: 80202 Email: tmetzger@bsegllc.com

For "Intent" 24 hour notice required, Name: Welsh, Brian Tel: (719) 325-6919

COGCC contact: Email: brian.welsh@state.co.us

API Number 05-009-06142-00 Well Number: 1

Well Name: SMITH 'H'

Location: QtrQtr: SENW Section: 33 Township: 31S Range: 42W Meridian: 6

County: BACA Federal, Indian or State Lease Number: _____

Field Name: STONINGTON Field Number: 79650

Notice of Intent to Abandon Subsequent Report of Abandonment

Only Complete the Following Background Information for Intent to Abandon

Latitude: 37.302550 Longitude: -102.161820

GPS Data:
Date of Measurement: 04/17/2013 PDOP Reading: 2.2 GPS Instrument Operator's Name: Rocky Crane

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 |
|-----------|-----------|-----------|----------------|---------------------|------------|
| TOPEKA | 3125 | 3199 | | | |

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 | 403 | 300 | 403 | 0 | VISU |
| 1ST | 7+7/8 | 4+1/2 | 10.5 | 3,270 | 135 | 3,270 | 2,588 | CALC |
| | 7+7/8 | 4+1/2 | Stage Tool | 1,485 | 400 | 1,485 | 0 | CALC |

Plugging Procedure for Intent and Subsequent Report

CIBP #1: Depth 3075 with 2 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 40 sks cmt from 1485 ft. to 950 ft. Plug Type: CASING Plug Tagged:
 Set 35 sks cmt from 453 ft. to 0 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:
 Perforate and squeeze at _____ ft. with _____ sacks. Leave at least 100 ft. in casing _____ CICR Depth
 Perforate and squeeze at _____ ft. with _____ sacks. Leave at least 100 ft. in casing _____ CICR Depth
 Perforate and squeeze at _____ ft. with _____ 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:

Run CBL 1500' to Surface. Squeeze 4 1/2" CSG w/40 sx @ 453' if TOC is below 403'.

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

Signed: _____ Print Name: Sarah Newton
 Title: Accountant Date: 7/17/2015 Email: sarah@petersonenergyoperating.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: SUTPHIN, DIRK Date: 7/23/2015

CONDITIONS OF APPROVAL, IF ANY: _____ Expiration Date: 1/22/2016

| COA Type | Description |
|----------|---|
| | 1) Provide 48 hour notice of MIRU via electronic Form 42. 2) For plug at 453': Run CBL to determine stage cement interval (1485'- 0' calc). If needed perf & squeeze 4-1/2" CSG w/50 sx @ 453', to achieve cement in casing and annulus 453'-353'. Tag plug 50' above shoe (353'). 3) Cement from 50' to surface in casing and annulus. |

Attachment Check List

| <u>Att Doc Num</u> | <u>Name</u> |
|--------------------|-------------------------|
| 400869080 | FORM 6 INTENT SUBMITTED |
| 400870170 | WELLBORE DIAGRAM |

Total Attach: 2 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|-------------------|--|-------------------------|
| Permit | Changed current zones from "Topeka B & C" to "Topeka." | 7/20/2015 8:32:47 AM |

Total: 1 comment(s)