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| DE | ET | OE | ES |
| Document Number: 401608298 | | | |
| Date Received: | | | |

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: 10633 Contact Name: Renee Kendrick
 Name of Operator: CRESTONE PEAK RESOURCES OPERATING LLC Phone: (303) 309-1931
 Address: 1801 CALIFORNIA STREET #2500 Fax: _____
 City: DENVER State: CO Zip: 80202 Email: renee.kendrick@crestonepr.com
For "Intent" 24 hour notice required, Name: Gomez, Jason Tel: (970) 573-1277
COGCC contact: Email: jason.gomez@state.co.us

API Number 05-123-22014-00 Well Number: 42-34
 Well Name: BILLINGS
 Location: QtrQtr: SENE Section: 34 Township: 2N Range: 68W Meridian: 6
 County: WELD Federal, Indian or State Lease Number: _____
 Field Name: WATTENBERG Field Number: 90750

Notice of Intent to Abandon Subsequent Report of Abandonment

Only Complete the Following Background Information for Intent to Abandon

Latitude: 40.096475 Longitude: -104.982003
 GPS Data:
 Date of Measurement: 03/11/2010 PDOP Reading: 2.4 GPS Instrument Operator's Name: bstoeppel
 Reason for Abandonment: Dry Production Sub-economic Mechanical Problems
 Other _____
 Casing to be pulled: Yes No Estimated Depth: 1700
 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 |
|-----------|-----------|-----------|----------------|---------------------|------------|
| CODELL | 7680 | 7698 | | | |
| J SAND | 8112 | 8145 | | | |

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 | 12+1/4 | 8+5/8 | 24 | 684 | 275 | 684 | 0 | CALC |
| 1ST | 7+7/8 | 4+1/2 | 11.6 | 8,238 | 225 | 8,238 | 6,890 | CBL |
| S.C. 1.1 | | | | 5,340 | 400 | 5,340 | 3,890 | CBL |

Plugging Procedure for Intent and Subsequent Report

CIBP #1: Depth 8050 with 2 sacks cmt on top. CIBP #2: Depth 7625 with 2 sacks cmt on top.
CIBP #3: Depth 80 with 25 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 80 sks cmt from 5400 ft. to 4420 ft. Plug Type: CASING Plug Tagged:
Set 75 sks cmt from 1700 ft. to 1442 ft. Plug Type: OPEN HOLE 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 50 sacks half in. half out surface casing from 740 ft. to 570 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. _____ inch casing Plugging Date: _____
of _____

*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:

Procedure

1. Submit electronic Form 42 to COGGC 48 hours prior to performing Form 17 Bradenhead Test. (not required if Bradenhead Test has been completed within 60 days of plugging operations.)
2. Perform Form 17 Bradenhead Test and sample for gas, water, and oil per COGCC Regulation.
3. Contact surveyor to acquire as-built surface location.
4. Submit electronic Form 42 to COGGC 48 hours prior to MIRU.
5. Submit form for Ground Disturbance Permit. Get One Call.
6. Notify Automation and Production Department. Production to check pressures, retrieve plunger equipment and blow down well.
7. Hold a pre-job safety meeting. Discuss all aspects of the procedure with any involved personnel. Identify and address any safety concerns before the job begins.
8. MIRU workover unit. Blow down well.
9. ND wellhead. NU BOPE.
10. Un-land tubing and TOO H w/tubing.
11. MIRU wireline.
12. RIH w/ CIBP on wireline. Set CIBP at ~8,050' (within 50'-100' of the top J-Sand perf at 8,112', between collars).
13. RIH w/ wireline and dump bail 2 sx cement on top of CIBP. POOH.
14. RIH w/ CIBP on wireline. Set CIBP at ~7,625' (within 50'-100' of the top Niobrara perf at 7,680', between collars).
15. RIH w/ wireline and dump bail 2 sx cement on top of CIBP. POOH. Pressure test plug to 500 psi. Hold pressure for 15 min. Chart pressure on 1,000 psi pressure chart. POOH with wireline.
16. TIH w/ tubing to 5,400'.
17. Pump 80 sx Glass G balanced plug from 5,400' to 4,420'. TOO H w/ tubing.
18. ND 7 1/16" BOP and wellhead. NU 11" BOP on surface casing. RU casing tongs and pipe wrangler.
19. RIH with casing jet cutter on wireline. Cut 4 1/2" casing at 1,700'. POOH with wireline. Pull casing with spear to first joint, remove casing slips. Establish circulation.
20. Pump and spot 75 sx Class G balance stub plug from 1,700' to 1,442'. Trip out of hole to 740'. Roll hole. Ensure there is no sign of hydrocarbons. If evidence is found, contact engineering. If circulation is not maintained then tag the plug after WOC.
21. Pump 50 sx Class G or Type III spot balanced plug across surface casing shoe. Pump wiper plug ahead of cement to ensure water does not mix with cement. TOC will be approximately 570'. TOO H laying down all casing. Wait on cement for 4 hours.
22. TIH w/ tubing and tag cement top. Report top to engineering. Pressure test casing to 250 psi. TOO H.
23. PU 8-5/8" CIBP. TIH and set @ 80'. Blow hole dry with rig compressor. TOO H. LD all tubing.
24. ND BOP. Install casing cap w/ relief valve.
25. Disconnect flowline from separator and connect to junk tank placed at the battery.
26. Flush flowline with treated fresh water then blow dry with rig compressor. Prepare flowline for removal by construction department.
27. RDMO pulling unit.
28. MIRU top off truck, water truck and air compressor.
29. Pull vacuum on tubing with water truck. Blow backside dry with air compressor to ensure hole is dry.
30. RIH w/ plastic tubing to CIBP at 80'.
31. Top off well with 25 sx cement from 80' to surface.
32. RDMO top off equipment.
33. Per ground disturbance procedure/policy, excavate around wellhead. Notify Environmental Department for surface review and inspection while digging.
34. Contact EHS to scan WH with FLIR to confirm well is plugged with no gas at surface. Save FLIR photo in well file.
35. Cut off casing 4 ft below ground level.
36. Weld on metal plate and dry hole marker.
37. Remove flowlines and backfill holes.
38. Notify Integrity Department to properly abandon flowlines as per Rule 1103. File electronic Form 42 once abandonment is complete.
39. Restore surface location.
40. Ensure all pressure charts, cement and wireline tickets are emailed to the Denver office for subsequent reporting. Emails shall be sent to Production Engineer, Workover Coordinator, and Production Technician.
41. Submit Form 6 Subsequent Report of Abandonment documenting the P&A to COGCC.

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

Signed: _____ Print Name: Renee Kendrick
 Title: Regulatory Coordinator Date: _____ Email: renee.kendrick@crestonepr.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: _____ Date: _____

CONDITIONS OF APPROVAL, IF ANY: _____ Expiration Date: _____

| <u>COA Type</u> | <u>Description</u> |
|-----------------|--------------------|
| | |

Attachment Check List

| <u>Att Doc Num</u> | <u>Name</u> |
|--------------------|-----------------------------|
| 401608317 | PROPOSED PLUGGING PROCEDURE |
| 401608319 | WELLBORE DIAGRAM |

Total Attach: 2 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|-------------------|----------------|---------------------|
| | | Stamp Upon Approval |

Total: 0 comment(s)