

**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.

Document Number:  
 402848314  
 Date Received:  
 10/31/2021

OGCC Operator Number: 10651 Contact Name: Brian Stanley  
 Name of Operator: VERDAD RESOURCES LLC Phone: (435) 6406426  
 Address: 1125 17TH STREET SUITE 550 Fax: \_\_\_\_\_  
 City: DENVER State: CO Zip: 80202 Email: bstanley@verdadresources.com

**For "Intent" 24 hour notice required,** Name: Silver, Randy Tel: (720) 827-6688  
**COGCC contact:** Email: randy.silver@state.co.us

Type of Well Abandonment Report:  Notice of Intent to Abandon  Subsequent Report of Abandonment

API Number 05-001-06996-00  
 Well Name: MILE-HI DUCK CLUB-TRACY Well Number: 1  
 Location: QtrQtr: NENE Section: 12 Township: 1S Range: 66W Meridian: 6  
 County: ADAMS Federal, Indian or State Lease Number: \_\_\_\_\_  
 Field Name: WATTENBERG Field Number: 90750

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

Latitude: 39.984170 Longitude: -104.718106  
 GPS Data: GPS Quality Value: \_\_\_\_\_ Type of GPS Quality Value: \_\_\_\_\_ Date of Measurement: \_\_\_\_\_  
 Reason for Abandonment:  Dry  Production Sub-economic  Mechanical Problems  
 Other Re-enter to re-plug  
 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
J SAND	7978	7995	07/27/1977	SAND PLUG/CEMENT	7896
Total: 1 zone(s)					

**Casing History**

Casing Type	Size of Hole	Size of Casing	Grade	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top	Status
SURF	12+1/4	8+5/8	J55	24	0	165	175	165	0	VISU
1ST	7+7/8	4+1/2	J55	10.5	6500	8096	300	8096	6653	CALC
OPEN HOLE	7+7/8		NA	NA	165	6500				

## Plugging Procedure for Intent and Subsequent Report

CIBP #1: Depth \_\_\_\_\_ with \_\_\_\_\_ 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	45	sks cmt from	7225	ft. to	6825	ft.	Plug Type: CASING	Plug Tagged: <input checked="" type="checkbox"/>
Set	45	sks cmt from	2500	ft. to	2400	ft.	Plug Type: OPEN HOLE	Plug Tagged: <input checked="" type="checkbox"/>
Set	180	sks cmt from	1275	ft. to	875	ft.	Plug Type: OPEN HOLE	Plug Tagged: <input checked="" type="checkbox"/>
Set		sks cmt from		ft. to		ft.	Plug Type: _____	Plug Tagged: <input type="checkbox"/>
Set		sks cmt from		ft. to		ft.	Plug Type: _____	Plug Tagged: <input type="checkbox"/>

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 110 sacks half in. half out surface casing from 314 ft. to 0 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  
 Surface Plug Setting Date: \_\_\_\_\_ Cut and Cap Date: \_\_\_\_\_ Number of Days from Setting Surface Plug to Capping or Sealing the Well: \_\_\_\_\_  
 \*Wireline Contractor: \_\_\_\_\_ \*Cementing Contractor: \_\_\_\_\_  
 Type of Cement and Additives Used: \_\_\_\_\_  
 Flowline/Pipeline has been abandoned per Rule 1105  Yes  No

Technical Detail/Comments:

1. Provide 48 hr notice Form 42 to COGCC prior to rig up per Form 6 COA
2. Familiarize all personnel with allowed access to location and areas allowed to be disturbed.
3. Secure permission to access area and identify prospective well locations via satellite and survey data.
4. Verify well location and excavate well.
5. Once permission to begin work is secure, excavate area around well to sufficient size for safe access of casing, Verify casing size, cut off cap, weld on slip collar w/ wellhead and riser, set cellar ring and back-fill.
6. MIRU WO Rig, beam, doghouse, BOP, accumulator, rig pump, shaker tank, rig tank, 9.5ppg water-based mud, pipe float, 3-1/8" collars, 2-7/8" EUE work string, power swivel.
7. Make up BHA; 2 7/8 EUE string, 2x 3-1/8" drill collars, Float, POBS, 6.5" roller-cone bit.
8. RIH and drill out cement plugs from 0-28', 120-165', 900-1200'.
9. Wash/Ream in 7-7/8" Open Hole to 6,400'. STOP before running into 4.5" Casing (top at 6500').
10. Circulate and condition hole.
11. TOOH, Laydown BHA.
12. RIH w/ 3-3/4" Tricone mill, XO, string float and wash/ream to 7900' and tag existing plug. If unable to tag, contact COGCC engineer for further instruction.
13. POOH to 7225' and circulate and condition hole.
14. MIRU cementers and pump 45sx Class G Neat Cement from 7225'-6825'. Displace and POOH through cement. Release cementers.
15. WOC 4 hours or otherwise advised by cementers and tag cement. If not tagged at or above 6825', contact engineer. May require additional cement.
16. POOH to 2500', circulate and condition hole. MIRU cementers and pump 45sx Class G Neat Cement from 2500'-2400'. Displace and POOH through cement.
17. WOC 4 hours or otherwise advised by cementers and tag cement. If not tagged at or above 2400', contact engineer. May require additional cement.
18. POOH to 1275', circulate and condition hole. MIRU cementers and pump 180sx Class G Neat cement from 1275'-875'. Displace and POOH through cement.
19. WOC 4 hours or otherwise advised by cementers and tag cement. If not tagged at or above 875', contact engineer. May require additional cement.
20. POOH to 314', circulate and condition hole. MIRU cementers and pump cement until returns taken to surface (120sks prescribed). Once good returns taken, SD cement and POOH. Top off as necessary.
21. RDMO Cementers, Rig, and supporting equipment. Tidy location and prep for reclamation.
22. After 5 days, verify TOC is within 5' of surface. Top off if needed. Excavate cellar ring and wellhead, cut off casing 6' below ground level and weld on cap with full legal description welded onto plate. Back fill hole.
23. Reclaim location.
24. Submit Form 6 Subsequent and Form 42 for completion of COA.

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

Signed: \_\_\_\_\_ Print Name: Brian Stanley  
 Title: Completions Engineer Date: 10/31/2021 Email: bstanley@verdadresources.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: Jacobson, Eric Date: 11/16/2021

**CONDITIONS OF APPROVAL, IF ANY:** \_\_\_\_\_ Expiration Date: 5/15/2022

## Condition of Approval

### COA Type

### Description

	This oil and gas location is within 0.5-mile of a CPW-mapped bald eagle nest area. CPW recommends that plugging and abandonment (PA) should not occur from December 1 to July 31. If site conditions warrant that PA activities must be performed from December 1 to July 31, Operator will consult with the regional CPW Energy Liaison to develop site specific measures to avoid, minimize, or mitigate impacts to wildlife.
	Due to close proximity to Residential Building Units: prior to commencing operations, at a minimum, the operator will provide an informational sheet to the owners/occupants of BUs that are nearby and adjacent to the parcel on which the well is located. The sheet will include the operator's contact information and the nature, timing, and expected duration of the PA operations.
	Operator will implement measures to capture, combust, or control emissions to protect health and safety, and to ensure that vapors and odors from well plugging operations do not constitute a nuisance or hazard to public health, welfare and the environment. Due to proximity of building units (BUs) all blowdown gases will be controlled.
	<ol style="list-style-type: none"> <li>1) Provide 2 business day notice of plugging MIRU via electronic Form 42.</li> <li>2) After placing the shallowest hydrocarbon isolating plug (7225'), operator must wait a sufficient time to confirm static conditions. If at any time after placing this plug there is evidence of pressure or of fluid migration, contact COGCC engineering before continuing operations.</li> <li>3) Prior to placing the 314' plug: verify that all fluid migration (liquid and gas) has been eliminated. If evidence of fluid migration or pressure remains, contact COGCC Engineer for an update to plugging orders.</li> <li>4) After isolation has been verified, pump plug and displace. If cement is not circulated to surface, shut-in, WOC 4 hours then tag plug – must be at 115' or shallower and provide 10 sx plug at the surface.</li> <li>5) Leave at least 100' of cement in the wellbore for each plug.</li> <li>6) With the Form 6 SRA operator must provide written documentation, which positively affirms each COA has been addressed.</li> </ol>

4 COAs

## Attachment List

### Att Doc Num

### Name

2138782	WELLBORE DIAGRAM
2138785	PLUGGING PROCEDURE
402848314	FORM 6 INTENT SUBMITTED
402848321	WELLBORE DIAGRAM
402848324	LOCATION PHOTO
402858265	SURFACE OWNER CONSENT

Total Attach: 6 Files

### General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Engineer	Lowered surface casing shoe plug to 314' for aquifer coverage. Operator concurs.	11/03/2021
Engineer	Well file verification not completed prior to approval of NOIA.	11/03/2021
Engineer	Deepest Water Well within 1 Mile – 1160' SB5 Base of Fox Hills - 1206' SB5 Base of Lower Arapahoe - 589' SB5 Base of Upper Arapahoe - 264' SB5 Base of Denver - 31'  Denver4998 5055 21.3 31-2 65.79NNT Upper Arapahoe 4765 4960 33.1 264 69 9.00NT Lower Arapahoe 4440 4690 100.5 589 339 27.34NT Laramie-Fox Hills 3823 4084 153.7 1206 945 36.89NT	11/03/2021
Permit	Reviewed docs. Confirmed productive interval docnum: 339609. Pass.	11/01/2021

Total: 4 comment(s)