FORM 6 Rev 11/20

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109

DE	ET	OE	ES

Replug By Other Operator

Document Number: 402994879

Date Received: 03/24/2022

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: 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, COGCC contact: Name: Revas, Robbie Tel: (720) 661-7242 Email: robbie.revas@state.co.us

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

API Number 05-123-11870-00

Well Name: ARNOLD Well Number: 1

Location: QtrQtr: SENE Section: 13 Township: 2N Range: 64W Meridian: 6

County: WELD Federal, Indian or State Lease Number:

Field Name: WATTENBERG Field Number: 90750

Only Complete the Following Background Information for Intent to Abandon

Latitude: 40.141093 Longitude: -104.494060

GPS Data: GPS Quality Value: 1.8 Type of GPS Quality Value: PDOP Date of Measurement: 03/16/2022

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	7405	7455	01/24/1989	B PLUG CEMENT TOP	7100

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	775	300	775	0	VISU
1ST	7+7/8	4+1/2	j55	10.5	6750	7539	125	7539	6964	CALC

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 75 sks cmt from 6592 ft. to 6400 ft. Plug Type: OPEN HOLE Plug Tagged: ☒

Set 45 sks cmt from 2500 ft. to 2400 ft. Plug Type: OPEN HOLE Plug Tagged: ☒

Set 90 sks cmt from 1700 ft. to 1500 ft. Plug Type: OPEN HOLE Plug Tagged: ☒

Set 45 sks cmt from 120 ft. to 0 ft. Plug Type: CASING 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 95 sacks half in. half out surface casing from 850 ft. to 600 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:

Communications supplied show conversation with landowner agreeing to give access to the property per the terms laid out in a confidential settlement/SUA.

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 0-7', and 681'-775'
9. Wash/Ream in 7-7/8" Open Hole to tag the cement plug at 6,592'. If tag depth is significantly different, call area Engineer for new plugging orders.
10. Circulate and condition hole.
11. TOOH, Laydown BHA.
12. RIH w/ 3-3/4" Tricone mill, XO, string float and wash/ream to 6592'.
13. MIRU cementers and pump 75sx 15.8ppg Class G Neat Cement from 6592'-6400'. Cement MUST be brought to at least 6400'. Displace and POOH through cement. Release cementers.
14. WOC 4 hours or otherwise advised by cementers and tag cement. If not tagged at or above 6400', contact engineer. May require additional cement.
15. POOH to 2500', circulate and condition hole. MIRU cementers and pump 45sx Class G Neat Cement from 2500'-2400'. Displace and POOH through cement.
16. WOC 4 hours or otherwise advised by cementers and tag cement. If not tagged at or above 2400', contact engineer. May require additional cement.
17. POOH to 1700', circulate and condition hole. MIRU cementers and pump 900sx Class G Neat cement from 1700'-1500'. Displace and POOH through cement.
18. WOC 4 hours or otherwise advised by cementers and tag cement. If not tagged at or above 1500', contact engineer. May require additional cement.
19. POOH to 850', circulate and condition hole. MIRU cementers and pump 95sx Class G Neat cement from 850'-600'. Displace and POOH through cement.
20. WOC 4 hours or otherwise advised by cementers and tag cement. If not tagged at or above 600', contact engineer. May require additional cement.
21. POOH to ~120' (4 standard jts tbg), circulate and condition hole. MIRU cementers and pump cement until returns taken to surface (45sks prescribed). Once good returns taken, SD cement and POOH. Top off as necessary.
22. RDMO Cementers, Rig, and supporting equipment. Tidy location and prep for reclamation.
23. 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.
24. Reclaim location.
25. 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: 3/24/2022 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: Haverkamp, Curtis Date: 4/21/2022

CONDITIONS OF APPROVAL, IF ANY: Expiration Date: 10/20/2022

Condition of Approval

COA Type	Description
	1) Provide electronic Form 42 Notice of MIRU 2 business days ahead of operations and electronic Form 42 Notice of Plugging Operations 48 hours prior to mobilizing for plugging operations. 2) After placing the shallowest hydrocarbon isolating plug (6592'), 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. 3) Prior to placing the 850' 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. 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 725' or shallower and provide 10 sx plug at the surface. 5) Leave at least 100' of cement in the wellbore for each plug. 6) With the Form 6 SRA operator must provide written documentation which positively affirms each COA listed above has been addressed.
	If unable to wash down after drilling out plugs previously set stop and contact COGCC engineer for an update to the plugging procedure.
	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.
3 COAs	

Attachment List

Att Doc Num	Name
402994879	FORM 6 INTENT SUBMITTED
402994895	LOCATION PHOTO
402994896	SURFACE OWNER CONSENT
402994897	WELLBORE DIAGRAM
402994898	WELLBORE DIAGRAM
402994900	PROPOSED PLUGGING PROCEDURE

Total Attach: 6 Files

General Comments

User Group	Comment	Comment Date
Engineer	DWR base of Fox Hills: 754' Deepest water well within 1 mile: 780'	04/21/2022
Permit	Confirmed as-drilled well location. No other forms in process. Confirmed productive interval docnum: 77599. Production reporting up-to-date. Reviewed attachments. Pass.	03/28/2022

Total: 2 comment(s)