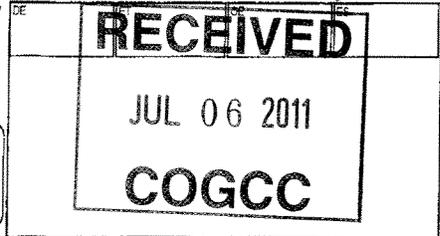




State of Colorado Oil and Gas Conservation Commission



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

WELL ABANDONMENT REPORT

Submit original plus one copy. This form is to be submitted as an intent whenever a plugging is planned on a borehole. The approved intent shall be valid for twelve months after the approval date after that period a new intent will be required. After the plugging is complete, this form and one copy shall again be submitted as a subsequent report of the work as actually completed.

COGCC Operator Number: 74740
Name of Operator: RIO MESA RESOURCES, INC.
Address: 226 1/2 East Main St.
City: Rangely State: CO Zip: 81648
Contact Name & Telephone: GERALD HAYES
No: 970-675-8491
Fax: 970-675-5137
24 hour notice required, contact: DAVE ANDREWS
Tel: 970-456-5262
API Number 05-103-08172
Well Name: Newton Well Number: 1-1
Location (Qtr, Sec, Twp, Rng, Meridian): SESE Section 1, T2N, R10W, 6th P. M. T1N R102W
County: Rio Blanco Federal, Indian or State Lease Number: 47388
Field Name: Rangely Weber/Morrison Field Number: 72370

[X] Notice of Intent to Abandon [X] Subsequent Report of Abandonment

Only Complete the Following Background Information for Intent to Abandon
Latitude: 40.079332217 Longitude: -108.783472956
Date of Measurement: 8/11/2009 PDOP Reading: 2.3 Instrument Operator's Name: Leif Joy, JSC, Inc. Meeker, CO
Reason for Abandonment: [X] Production Sub-economic
Casing to be Pulled: [X] No Top of Casing Cement: 1978; 4740 ft. / 2007; 4175 ft. *
Fish in Hole: [X] No If yes, explain details below
Wellbore has Uncemented Casing Leaks: [X] No If yes, explain details below
Details: * POST SQUEEZE CBL TOC = 4170' ON 6-20-2007

Current and Previously Abandoned Zones

Table with columns: Formation, Perforations - Top, Perforations - Bottom, Date Abandoned, Method of Isolation, Plug Depth. Includes rows for Weber, ENTRADA, and MORRISON.

Casing History

Table with columns: String, Size of Hole, Size of Casing, Weight per ft, Setting Depth, Sacks Cement, Cement Bottom, Cement Top. Includes rows for Surface, Production, and S.C.1.1.

Plugging Procedure for Intent and Subsequent Report

CIBP #1: Depth 5900 with 2 sacks cmt on top. CIBP #2: Depth 4474 ft. with 2 10 sacks cmt on top.
Set 20 sks cmt from 4474 ft. to 4307 ft. in [X] Casing
Perforate and squeeze at 4350 ft. to 4450 ft. ft. with 200 sacks
Perforate and squeeze at 4070 ft. with 30 sacks
Perforate and squeeze at 825 ft. with 40 sacks
Set 25 sacks at surface
Cut four feet below ground level, weld on plate
Dry-Hole Marker: [X] No
Set NA sacks in rat hole Set NA sacks in mouse hole

Additional Plugging Information for Subsequent Report Only

Casing Recovered: None ft. of in casing Plugging date:
*Wireline Contractor:
Type of Cement and Additives Used:
*Attach job summaries.

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

Print Name: Gerald A. Hayes Email: rmr@centurytel.net
Signed: [Signature] Title: Owner/Manager Date: 12/10/09
OGCC Approved: [Signature] Title: PE II Date: 7/6/2011

CONDITIONS OF APPROVAL, IF ANY:

SUBMIT HARD COPY OF 6/20/2007 CBL WITH FORM 6 - SUBSEQUENT REPORT OF ABANDONMENT.

Form 3160-5
(February 2005)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

RECEIVED

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

JUL 06 2011

COGCC

5. Lease Serial No.
D-033804-b

6. If Indian, Allottee or Tribal Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
NEWTON 1-1

9. API Well No.
05-103-08172

10. Field and Pool, or Exploratory Area
RANGELY, WEBER

11. County or Parish, State
RIO BLANCO, COLORADO

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
RIO MESA RESOURCES, INC.

3a. Address
226 1/2 E. MAIN ST., RANGELY, CO 81648

3b. Phone No. (include area code)
970-675-8491

4. Location of Well (Footage, Sec., T., R., M, or Survey Description)
680 FT. FSL; 480 FT. FEL; SECTION 1; T1N; R102W; 6th PM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION				
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off	
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity	
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other	
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon		
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal		

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

WOULD LIKE TO START P7A JOB 1/20/2009

MOVE ON WORK OVER RIG, REMOVE DOWN HOLE PRODUCTION EQUIPMENT. RUN IN HOLE WITH 2 7/8" CEMENT TUBING STRING.

SET A 20 SK. CEMENT PLUG ON TOP OF CIBP SET AT 4474'. TOP OF CEMENT PLUG SHOULD BE 4307'.

SET A 30 SK. CEMENT PLUG AT 4070' WITH TOP OF CEMENT AT 3818'.

SET A 25 SK. CEMENT PLUG AT 875' WITH TOP OF CEMENT AT 665'.

A 25 SK. CEMENT PLUG WILL BE PLACED IN THE TOP OF PRODUCTION CASING.

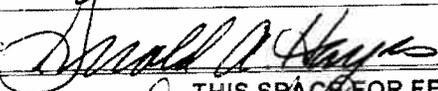
WELL INFORMATION PLATE WILL BE PLACED ON TOP OF CASING, 4 ft. BELOW SURFACE. AFTER EACH PLUG HAS BEEN SET, TUBING STRING WILL BE MOVED ABOVE CEMENT PLUG AND HOLE WILL BE CIRCULATED CLEAN. WILL LET EACH PLUG SETS 4 HR. SET DOWN WITH TUBING STRING AND TEST TOP OF PLUG.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

GERARD A. HAYES

Title PRESIDENT/MANAGER

Signature



Date

01/12/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

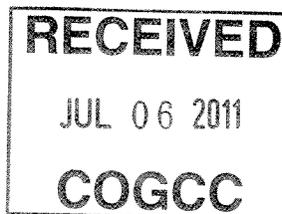
ASSOCIATE FIELD MANAGER

3/11/09

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)



CONDITIONS OF APPROVAL FOR WELL ABANDONMENT

**A COPY OF THESE CONDITIONS SHOULD BE FURNISHED YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

1. All Plugging and Abandonment operations shall be conducted per OO#2.III.G. and 43 CFR 3160
2. This office should be notified sufficiently **in advance, 48 hours minimum of actual plugging work**, so that a representative may have an opportunity to witness the operation.
3. The casing will be perforated and a plug set between the Dakota and Morrison formations. (Top of Morrison is 4060 feet and top of Dakota is 3980 feet.)
4. The casing will be perforated 50 feet below the surface shoe and a 100' plug set.
5. Upon completion of approved plugging, all casing shall be cut-off at least 3 feet below final restored ground level and attach the regulation marker plate (**4-inch pipe above ground will not be allowed**) in accordance with 43 CFR 3162.6 and OO#2.III.G.10. The top of the marker must be closed or capped and have a weep hole. Pits must be fenced unless approved otherwise by the authorized officer.
6. The following minimum information shall be permanently placed on the marker with a plate, cap, or beaded-on by welding:
 - A. Operator Name
 - B. Federal Lease Serial Number
 - C. Well Number
 - D. Location by 1/41/4, Section, Township and Range or other Acceptable Surveyed Description.
7. Within 30 days after well bore plugging operations are completed, a Subsequent Report of Abandonment, Form 3160-5, must be filed showing location of plugs, amount of cement in each plug, the amount of casing left in the hole and the **GPS coordinates for location of wellhead**.
8. Prior to abandonment reclamation work, the operator shall submit a sundry notice describing their proposed reclamation plans. The plan must be approved prior to beginning any reclamation of the well site. If the approved APD contains a reclamation plan, you can reference it in your submission. Do not conduct any well pad or access reclamation without an approved reclamation plan for the subject well.
9. If not previously filed, submit in duplicate, Well Completion or Recompletion Report and Log, Form 3160-4, well history, electric logs, and other surveys, and if taken, core analysis and water analysis. These reports must also be filed within 30 days after completion of plugging operations.
10. The Bureau of Land Management, White River Field Office address is:

220 E. Market St.
Meeker, CO 81641
(970) 878-3800

RIO MESA RESOURCES, INC.

NEWTON 1-1

DATE: JANUARY 6, 2009

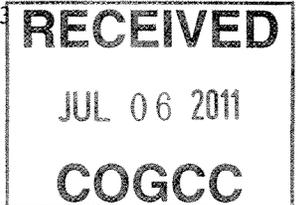
SE-SE SECTION 1; T1N; R102W; 6th P.M.

API No. 0510308172; State Permit No. CO771333

Federal Lease Number D-033804-b

Date Well Spudded 3/18/1978

Date Total Depth 4/4/1978



WORK OVER
MAY-JUNE 2007

PRODUCTION; RANGELY WEBER SAND STONE 6490'-6555'

	SURFACE CASING	Elevations	GR. 5462'	KB. 5475
MANCOS SHALE 0' to 3712'	775 ft	775 ft., 8.625 Surface Casing Set With 360 sks G Cement		
DAKOTA SS Top	3980 ft			
MORRISON SS Top	4060 ft.			
Cement Top	4170 ft.	After Cement Squeeze found cement top at 4170' and bottom at 4470' from Cement Bond Log run 6/20/07.		
Cement Retainer 200 sks	4296 ft.	6/9/2007; Set CEMENT RETAINER 4296'; Squeezed Zone 4350' to 4450' with 200 sks G Neat cement.		
Casing Leak	4350 ft. 4450 ft.	5/30/07 Run Packer and Plug Testing Equip. Found casing leak between 4350 ft. and 4450 ft.		
CIBP	4474 ft.	6/28/2007 Set 5 1/2" CIBP with cement in place at 4474' Isolating Entrada below.		
MORRISON SS Perfs.	4412 ft. 4418 ft.	6/20/2007 Shot 14 holes for Morrison Test Perfs 4412'/18. Chemical Squeeze breakdown 3200 psi with 30 bbls Frac Oil, 40 bbls KCL and 55 gal. Well Stim #8050 on 6/21/2007.		
Swab Test	4418 ft.	6/22-26/2007 Swab Test Morrison 4412ft./4418ft., 4 bph with small oil show on June 26th.		
Cement Top	4740 ft.	4/6/1978 . Found Cement Top on Cement Bond Log AT 4740'		
ENTRADA Top	4748 ft.			
ENTRADA SS Perfs.	4746 ft. 4752 ft.	6/20/2007 Shot 16 Holes for Swab Test of Entrada SS 6/21/2007 Swab Test was water wet. Move Packer and Plug up hole to Test Morison formation.		
CIBP	5900 ft.	5/31/2007; Set CIBP with cement to cover Weber SS.		
WEBER SS Top	6396 ft.			
Weber Completion	6420 ft. 6555 ft.	5/16/1978; 7 Perf. Holes 6490' to 6555' 7/13/1978; 5 Perf. Holes 6420' to 6444'		
PLUG BACK TD	6642 ft	5/20/1978; Plug Back Total Depth .		
TD: TOTAL DEPTH	6700 ft.	5/5/2007; Run 175 jts, 6705.66 ft. K55, Range 3 Casing. Cement with float collar at 6654 ft. with 450 sks of CLASS G CEMENT.		



DEPARTMENT OF NATURAL RESOURCES

John W. Hickenlooper, Governor

707 Wapiti Ct. Suite 204

Rifle, CO 81650

Phone: (970) 625-2497

FAX: (970) 625-5682

www.colorado.gov/cogcc

February 02, 2011

Gerald Hayes
Rio Mesa Resources, Inc.
226 ½ East Main Street
Rangely, CO 81648

Dear Mr. Hayes:

About a year and a half ago, we corresponded regarding your intent to plug-&-abandon (P&A) the Newton 1-1 well (API 103-08172). If you've responded since with the requested information (see copy of July 1, 2009 letter, enclosed) – it may have ended up on the wrong desk.

We are updating selected wellfiles, and it we need to be updated on this well. What is the present status?

Also, you sent in the COGCC Form 6, the notice of intent to P&A in early 2009. My letter of July 1, 2009, requested a re-submission of that form. Could you fill out / update the enclosed form at your earliest convenience? It could be mailed, sent via email, or faxed.

Thanks in advance,

Jay Krabacher
COGCC
707 Wapiti Court, #204
Rifle, CO 81650
(970) 625-2497 fax: (970) 625-5682
jay.krabacher@state.co.us

**Colorado
Oil & Gas Conservation Commission**



707 Wapiti Ct., # 204 Rifle, CO 81650

(970) 625-2497 office; 625-5682 fax

Gerald Hayes
Rio Mesa Resources, Inc.
Rangely, CO

July 1, 2009

Greetings, Mr. Hayes:

This is regarding our phone conversations earlier today regarding the COGCC Form 6 (Well Abandonment Report) for the Newton 1-1. Thanks for faxing the BLM data.

What would really help is for you or someone with Rio Mesa to re-submit the Form again -- this can be done either by fax or email to me -- or even by 'regular mail.' The reason I'm asking this is because the Form we've received is missing several 'fields' of data.

- (1) The form has "yes" checked for casing to be pulled -- you confirmed earlier today that that box was checked in error.
- (2) In the current and previously abandoned zone portion, no mention is made of the perforations in the Morrison (4412' to 4418' ?).
- (3) The perfs and squeeze from 4350' to 4450' (200 sacks) was already done? This was done to seal off another set of casing leaks, if I interpret the data correctly.
- (4) You mentioned that "yes" a dry-hole marker will be installed.
- (5) The BLM conditions of approval note a few items NOT listed on the Form 6:
"casing will be perforated and a plug set between ... 4060' and 3980' "
"casing will be perforated 50' below the surface shoe and a 100' plug set"
BLM also requires complete and validated GPS data for the subsequent Abandonment Report.

Granted, much of the cementing information was provided on an attachment (Dated Jan. 5, 2009) regarding the well abandonment work. This should also be in the appropriate spaces on the Form.

If you have any questions, comments, etc. let me know.

Sincerely,

Jay Krabacher

COGCC Petroleum Engineer jay.krabacher@state.co.us