

FORM
6
Rev
12/05

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



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| DE | ET | OE | ES |
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Date Received:
10/18/2011

Document Number:
400207216

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: 52530 Contact Name: Ryan Warner
 Name of Operator: MAGPIE OPERATING, INC Phone: (970) 669-6308
 Address: 2707 SOUTH COUNTY RD 11 Fax: (970) 669-6396
 City: LOVELAND State: CO Zip: 80537 Email: magpieoil@yahoo.com

For "Intent" 24 hour notice required, Name: PRECUP, JIM Tel: (303) 726-3822
COGCC contact: Email: james.precup@state.co.us

API Number 05-069-06133-00 Well Number: 3
 Well Name: OSBORN
 Location: QtrQtr: NWSE Section: 19 Township: 5N Range: 68W Meridian: 6
 County: LARIMER Federal, Indian or State Lease Number: _____
 Field Name: LOVELAND Field Number: 52000

Notice of Intent to Abandon Subsequent Report of Abandonment

Only Complete the Following Background Information for Intent to Abandon

Latitude: 40.383700 Longitude: -105.048709
 GPS Data:
 Date of Measurement: 07/18/2009 PDOP Reading: 3.0 GPS Instrument Operator's Name: Ross M. Warner
 Reason for Abandonment: Dry Production for Sub-economic Mechanical Problems
 Other _____
 Casing to be pulled: Yes No Top of Casing Cement: 2500
 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 |
|-----------|-----------|-----------|----------------|---------------------|------------|
| NIOBRARA | 4490 | 4650 | 01/01/2000 | | |

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 | 283 | 300 | 283 | 0 | |
| 1ST | 7+7/8 | 4+1/2 | 10.5 | 4,750 | 150 | 4,750 | 3,960 | |

Plugging Procedure for Intent and Subsequent Report

CIBP #1: Depth 4440 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 2500 ft. to 2400 ft. Plug Type: STUB PLUG 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:
 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 370 ft. to 200 ft. Plug Tagged:
 Set 10 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:

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

Signed: _____ Print Name: Ryan Warner
 Title: VP Date: 10/18/2011 Email: magpieoil@yahoo.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: BUTLER, MARSHALL Date: 12/19/2011

CONDITIONS OF APPROVAL, IF ANY: _____ Expiration Date: 6/18/2012

1) Provide 24 hour notice of MIRU to Jim Precup at 303-469-1902 or e-mail at James.Precup@state.co.us. 2) For 370' plug: pump plug and displace, shut-in, WOC 4 hours and tag plug. Leave at least 100' cement in the casing for each plug. 3) Properly abandon flowlines as per Rule 1103.

Attachment Check List

| Att Doc Num | Name |
|-------------|-------------------------|
| 400207216 | FORM 6 INTENT SUBMITTED |
| 400215834 | WELLBORE DIAGRAM |

Total Attach: 2 Files

General Comments

| User Group | Comment | Comment Date |
|-------------------|--|---------------------------|
| Permit | Well completion report dated 12-15-82. | 10/19/2011 10:41:14 AM |

Total: 1 comment(s)