

Document Number:
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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: 10254 Contact Name: Donna Pitre
 Name of Operator: RED MESA HOLDINGS/O&G LLC Phone: (970) 588-3302
 Address: 5619 DTC PARKWAY - STE 800 Fax: (970) 588-3562
 City: GREENWOOD State: CO Zip: 80111 Email: dpitre@madisoncap.com

For "Intent" 24 hour notice required, Name: Maclaren, Joe Tel: (970) 382-1680
 COGCC contact: Email: joe.maclaren@state.co.us

API Number 05-067-06069-00 Well Number: KF-3
 Well Name: KROEGER-FERGUSON NO 2
 Location: QtrQtr: NESE Section: 27 Township: 33N Range: 12W Meridian: N
 County: LA PLATA Federal, Indian or State Lease Number: _____
 Field Name: RED MESA Field Number: 72890

Notice of Intent to Abandon Subsequent Report of Abandonment

Only Complete the Following Background Information for Intent to Abandon

Latitude: 37.074490 Longitude: -108.131930
 GPS Data:
 Date of Measurement: 10/16/2008 PDOP Reading: 1.9 GPS Instrument Operator's Name: Sam Peterson
 Reason for Abandonment: Dry Production for Sub-economic Mechanical Problems
 Other _____
 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
DAKOTA	2895	2930			
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	9+7/8	7	20	1,300	0	0	0	
1ST	6+1/8	4+1/2	10.5	3,188	125	3,189	2,804	VISU

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 12 sks cmt from 2745 ft. to 2645 ft. Plug Type: CASING Plug Tagged:
 Set 28 sks cmt from 1945 ft. to 1845 ft. Plug Type: CASING Plug Tagged:
 Set 32 sks cmt from 1400 ft. to 1300 ft. Plug Type: CASING Plug Tagged:
 Set 321 sks cmt from 1300 ft. to 100 ft. Plug Type: CASING Plug Tagged:
 Set 20 sks cmt from 100 ft. to 0 ft. Plug Type: CASING Plug Tagged:

Perforate and squeeze at 2745 ft. with 12 sacks. Leave at least 100 ft. in casing 2745 CICR Depth
 Perforate and squeeze at 1945 ft. with 16 sacks. Leave at least 100 ft. in casing 1895 CICR Depth
 Perforate and squeeze at _____ ft. with _____ sacks. Leave at least 100 ft. in casing _____ CICR Depth
(Cast Iron Cement Retainer Depth)

Set _____ sacks half in. half out surface casing from _____ ft. to _____ 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 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:

505-320-3722

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

Signed: _____ Print Name: Monty Collins
 Title: Production Consultant Date: _____ Email: patch1094@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: _____ Date: _____

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

Attachment Check List

Att Doc Num	Name
400640053	PROPOSED PLUGGING PROCEDURE
400640054	WELLBORE DIAGRAM
400640057	WELLBORE DIAGRAM

Total Attach: 3 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>

Total: 0 comment(s)