

A-PLUS WELL SERVICE, INC.

P.O. BOX 1979

Farmington, New Mexico 87499

505-325-2627 *fax: 505-325-1211

Red Mesa Holdings/O&G LLC

October 24, 2013

Jumbo #3

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689' FNL & 2331' FWL Section 27, T-33-N, R-12-W

La Plata County, Colorado

Lease Number: FEE

API #05-067-06786

Plug and Abandonment Report
Notified COGC & BLM on 10/11/13

Plug and Abandonment Summary:

Plug #1 with 40 sxs (47.2 cf) Class B cement inside casing from 360' to 150'. Tag TOC at 157'.

Plug #2 with 24 sxs (28.32 cf) Class B cement inside casing from 100' to surface.

Plug #3 mix 24 sxs (28.32 cf) Class B cement to top off casing and install P&A maker.

Plugging Work Details:

10/18/13 MOL and RU. Check well pressures: tubing 20# and casing 0#. Lay out relief lines to pit and blow well down. Knock cap off wellhead. Pull 2K on 2" tubing to pull slips out of wellhead; parted tubing. LD 15.48' of parted tubing. Collar pulled off pin. Unscrew Larkin head and screw on 7" wellhead. NU BOP and test. SI well. SDFD.

10/21/13 Open up well; no pressure. PU 7" Weatherford overshot and RIH; tag fish at 15'. PU 1.7" GR and RIH to 592'. POH. RIH and jet cut tubing at 585'. PU and work tubing free. Pull 6K over string weight; stuck. Load tubing and establish circulation with 12 b bbls of water; pump additional 23 bbls. Circulate cement pebbles and fill in return. Pump to clean returns. Attempt to pull tubing; parted 1 joint below overshot. TOH and LD 21.10'. SI well. SDFD.

10/22/13 Open up well; no pressure. RIH with overshot and stacked out at 28'. Fish at 37'. Stacking out on fill and scale. Work pipe with tongs. Change out overshot guide. RIH and tag top of fish at 37'. Screw onto fish. Pump dye test; calculate hole in tubing around 185'. M. Weems, COGC, approved procedure change. RIH and jet cut tubing at 360'. Work tubing free. TOH and LD total tally 17 joints, 1 7' cutoff joint 2" line pipe, 361.01'. SI well. SDFD.

10/23/13 Open up well; no pressure. PU 7" watermelon mill and RIH; tag at 12'. Turn tubing with pipe wrenches; drag one joint out of well. Note: fresh metal curl shavings on mill; possible bad casing. WOO. Tally and TIH with tubing and tag fish at 360'. Pump total 15 bbls of water. M. Weems, COGC, approved procedure change. Spot Plug #1. TOH. SI well. SDFD.

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Plugging Work Details Cont'd:

10/24/13 Open up well; no pressure. TIH and tag cement at 157'. M. Weems, COGC, approved tag. Spot Plug #2. TOH and LD tubing. ND BOP and unscrew wellhead. Dig out wellhead. RD rig and equipment. Check for LEL with gas monitor; 0%. Issue Hot Work Permit. Cut off wellhead. Found cement down 15' in 7" casing. Spot Plug #3 to top off casing and install P&A marker. MOL.

Mark Weems, COGC representative, was on location 10/21/13.