

A-PLUS WELL SERVICE, INC.

P.O. BOX 1979

Farmington, New Mexico 87499

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

Red Mesa Holding Oil & Gas

Ferguson #1 F-4

September 26, 2014

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2130' FSL and 100' FEL, Section 33, T-33-N, R-12-W

LaPlata County, CO

Lease Number: FEE

API #05-067-06133

Plug and Abandonment Report

Notified COGCC and BLM on 09/16/14

Plug and Abandonment Summary:

Plug #1 with CR at 3226' spot 24 sxs (28.32 cf) Class B cement with 2% Calcium Chloride inside casing from 3226'-2909'.

Plug #2 with CR at 2559' spot 55 sxs (64.9 cf) Class B cement squeeze 39 outside and 16 inside from 2609' - 2401'.

Plug #3 with CR at 1005' spot 55 sxs(64.9 cf) Class B cement inside casing from 1066' - 847'.

Plug #3A with 12 sxs (14.16 cf) Class B cement inside casing from 987' – 829'. Tag at 858'.

Plug #4 with CR at 438' spot 16 sxs (18.88 cf) Class B cement with 2% calcium Chloride inside casing from 438' - 227'; Tag at 374'.

Plug #5 with 143 sxs (168.74 cf) Class B cement with LCM flakes inside casing from 200' to surface.

Plug #6 with 12 sxs (14.16 cf) Class B cement, top off casing and install P& A marker.

Plugging Work Details:

9/16/14 Rode rig and equipment to location. RU. Check well pressures: tubing and bradenhead 0 PSI, casing 12 PSI. RU pump and lines and open well to pit. PU polish rods and check for rods. Attempt to LD 9-3/4" rods, but having mechanical issues. Mechanic on location in A.M. SI Well. SDFD.

9/17/14 Worked on rig with mechanic. Check well pressures: tubing and bradenhead 0 PSI; Casing 10 PSI. LD total of 106 3/4" rods. Strip off wellhead due to not able to NU BOP. Strip on casing nipple, wellhead, companion flange and BOP. LD 103 joints 2-3/8" EUE. SI Well. SDFD.

9/18/14 Check well pressures: Tubing 10 PSI; Casing 20 PSI; BH 0 PSI; Open to pit . PU 5 joints at 3231' and turn with tongs to 3254'. Called Mark W. Co O&G and authorized to set CR at 3225'. TOOH with tubing and string mill. PU 4-1/2" DHS CR and set at 3226'. Pressure test tubing with 5 bbls fresh water to 1000 PSI and establish circulation with 7 bbls plus 63 bbls to clean up returns. Attempt to pressure test casing to 800 PSI. Pump and establish rate of 1.5 bbls at 750 PSI. Spot Plug #1. WOC. TOOH with tubing and WOC. Pump with 2 bbls of fresh water. And attempt to pressure test. no test. TOH with tubing. RIH and perforate 3-1/8" holes at 2609'. POOH and LD gun. PU 4-1/2" DHS CR and set at 2559'. Establish circulation with 2 bbls of water. No test. Sting into CR and establish circulation out casing. Spot plug #2. TOOH with tubing. LD setting tool and SI well. SDFD.

9/19/14 Check well pressures: tubing, casing, BH 0 PSI. Open to pit. TIH and tag cement at 2397'. Establish circulation with 2 bbls fresh water. TOOH with tubing. Basin Logging perforated 3 holes at 1005'. PU 4-1/2" DHS CR and set at 1005'. Establish circulation out casing with 2.5 bbls of water. Spot plug #3.

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Lease Number:
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Plug and Abandonment Report
Notified COO&GC and BLM on 09/16/14

Plug and Abandonment Summary (continued):

- 9/19/14 Spot plug #3. TOOH with tubing . WOC. TIH and tag cement low at 987'. Establish circulation with 2 bbls of water and an additional 3 bbls in casing. Attempt to pressure test casing. No test. Spot plug #3A. TOOH with tubing. LD tag sub. SI well. WOC. SDFD.
- 9/22/14 Check well pressures: tubing, casing, BH 0 PSI. Open to pit. TIH and tag cement at 858'. Establish circulation with 2bbls of water. Attempt to pressure test casing. No test. Perforate squeeze holes at 485'. PU 4-1/2" DHS CR and set CR at 438'. Establish circulation 5 bbls of water. Attempt to pressure test casing. No test. Sting into CR and attempt to establish rate; Pressure up. Called Mark Weems with COO&G and he approved spotting cement only above CR and perforating again at 200'. Sting out CR and spot Plug #4. LD 7 joints and reverse out at 217'. WOC. Dig out BH valve and found surface casing was 8-5/8"; Orange peel to 4-1/2". TIH and tag cement at 374'. TOH and LD tubing. Topped off casing with 1.5 bbls of water. Attempt to pressure test. No test. Perforate 4 squeeze holes at 200'. POOH LD gun. Established circulation out BH with 6 bbls of water plus 14 bbls to clean returns. Spot plug #5. SI Well. SDFD.
- 9/23/14 Check well pressures. No tubing, casing and BH 0 PSI. RD tubing equipment, and rig floor. Chip cement out of BOP. ND BOP. Dig out WH and found cement in 4-1/2" casing at surface. Perform Hot Work Permit. Cut WH off and found cement 6' from surface in 8-5/8" X 4-1/2" casing. RD rig and equipment. MOL.
- 9/26/14 Move to location with Pump truck 315 and Bulk truck 345. Plug #6 top off casings and install P&A Marker. RD pump and move back over to Kroeger Ferguson #3 F-3.

Mark Weems, COO&G representative, was on location.