

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.

Document Number:
401306415

Date Received:
06/22/2017

OGCC Operator Number: 10651 Contact Name: Justin Pivik

Name of Operator: VERDAD RESOURCES LLC Phone: (720) 651-8405

Address: 5950 CEDAR SPRINGS ROAD Fax: _____

City: DALLAS State: TX Zip: 75235 Email: jpivik@verdadoil.com

For "Intent" 24 hour notice required, Name: Montoya, John Tel: (970) 397-4124

COGCC contact: Email: john.montoya@state.co.us

API Number 05-123-09568-00

Well Name: CRYSTAL STATE Well Number: 41-18

Location: QtrQtr: NENE Section: 18 Township: 3N Range: 62W Meridian: 6

County: WELD Federal, Indian or State Lease Number: _____

Field Name: MONAHAN LAKES Field Number: 55800

Notice of Intent to Abandon Subsequent Report of Abandonment

Only Complete the Following Background Information for Intent to Abandon

Latitude: 40.231478 Longitude: -104.359950

GPS Data:
Date of Measurement: 05/09/2017 PDOP Reading: 1.5 GPS Instrument Operator's Name: Dallas Nielsen

Reason for Abandonment: Dry Production Sub-economic Mechanical Problems

Other Re-Entry to insure Fox Hills and Niobrara have adequate isolation

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
J SAND	6876	6884	02/25/1981	CEMENT	6870

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	449	250	449	0	VISU
1ST	7+7/8	4+1/2	10.5	6,954	225	6,954	6,054	CALC

Plugging Procedure for Intent and Subsequent Report

CIBP #1: Depth _____ with _____ sacks cmt on top. CIPB #2: Depth _____ with _____ sacks cmt on top.
CIBP #3: Depth _____ with _____ sacks cmt on top. CIPB #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 60 sks cmt from 5900 ft. to 5700 ft. Plug Type: OPEN HOLE 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 140 sacks half in. half out surface casing from 470 ft. to 0 ft. Plug Tagged:
Set 5 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. _____ inch casing Plugging Date: _____
of _____
*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:

The Surface survey well location does not match the one provided on the COGCC website

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

Signed: _____ Print Name: Justin Pivik
Title: Operations Manager Date: 6/22/2017 Email: jpivik@verdadoil.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: McCoy, Diane Date: 7/11/2017

CONDITIONS OF APPROVAL, IF ANY: _____ Expiration Date: 1/10/2018

COA Type

Description

- 1) Provide 48 hour notice of plugging MIRU via electronic Form 42.
- 2) Submit as-built well location GPS data with the Form 6 Subsequent Report of Abandonment.
- 3) If unable to wash down after drilling out plugs previously set stop and contact COGCC engineer for an update to the plugging procedure.

Attachment Check List

Att Doc Num	Name
401306415	FORM 6 INTENT SUBMITTED
401306430	PROPOSED PLUGGING PROCEDURE
401306433	WELLBORE DIAGRAM
401313041	LOCATION PHOTO
401313570	SURFACE OWNER CONSENT

Total Attach: 5 Files

General Comments

User Group	Comment	Comment Date
Engineer	Re-entry by another Operator. production casing was pulled at 5900'.	07/11/2017
Permit	Returned to draft. Missing location photos and surface owner approval letter. Bottom perf is incorrect as well.	06/20/2017
Public Room	Well file not found for verification - passed task 06/19/17	06/19/2017

Total: 3 comment(s)