



CRESTONE PEAK
RESOURCES

Melbon Ranch 1
API# 05-123-07258
17-2N-65W
Re-Entry and Re-P&A

Draft

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Safety

Safety meetings are to be held with all service company personnel prior to each job. Wellsite supervisor must notify contractors as to known hazards of which the contractors may be unaware. Well site supervisor must ensure that all workers are aware of their responsibilities and duties under the EH&S guidelines. All safety meetings will be recorded on the Crestone Peak Resources daily completion reports in Wellview. Follow best practices for well control and proper handling of gas, oil and well fluids.

Regulations

All verbal notifications and approval from government regulatory agencies will be recorded on the Crestone Peak Resources daily report. The name of the individual contacted and the subject matter of approval or notification will be recorded.

Reason for Work

Re-plug well with drill rig to provide proper isolation for offset mitigation for the new Crestone Peak Resources Melbon Ranch horizontal pad that moved up onto the schedule.

- a) Casing to be pulled: No.
- b) Fish in hole: YES – 4.5” casing stub below 1,000’
- c) Wellbore has uncemented casing leaks: No

Operator acknowledges the proximity of the listed non-operated wells. Operator assures that this offset list will be remediated per the DJ Basin Horizontal Offset Policy (option 3). Operator will submit a Form 42 (“OFFSET MITIGATION COMPLETED”) stating what appropriate mitigation occurred and that it has been completed, prior to the hydraulic stimulation of this well.

05-123-07258, MELBON RANCH 1 Option 3

05-123-18951, MELBON RANCH 17-14 Option 3

Additional COGCC COAs**Additional Information**

Well will be re-entered and re-P&A’d using drilling rig.

Objective:

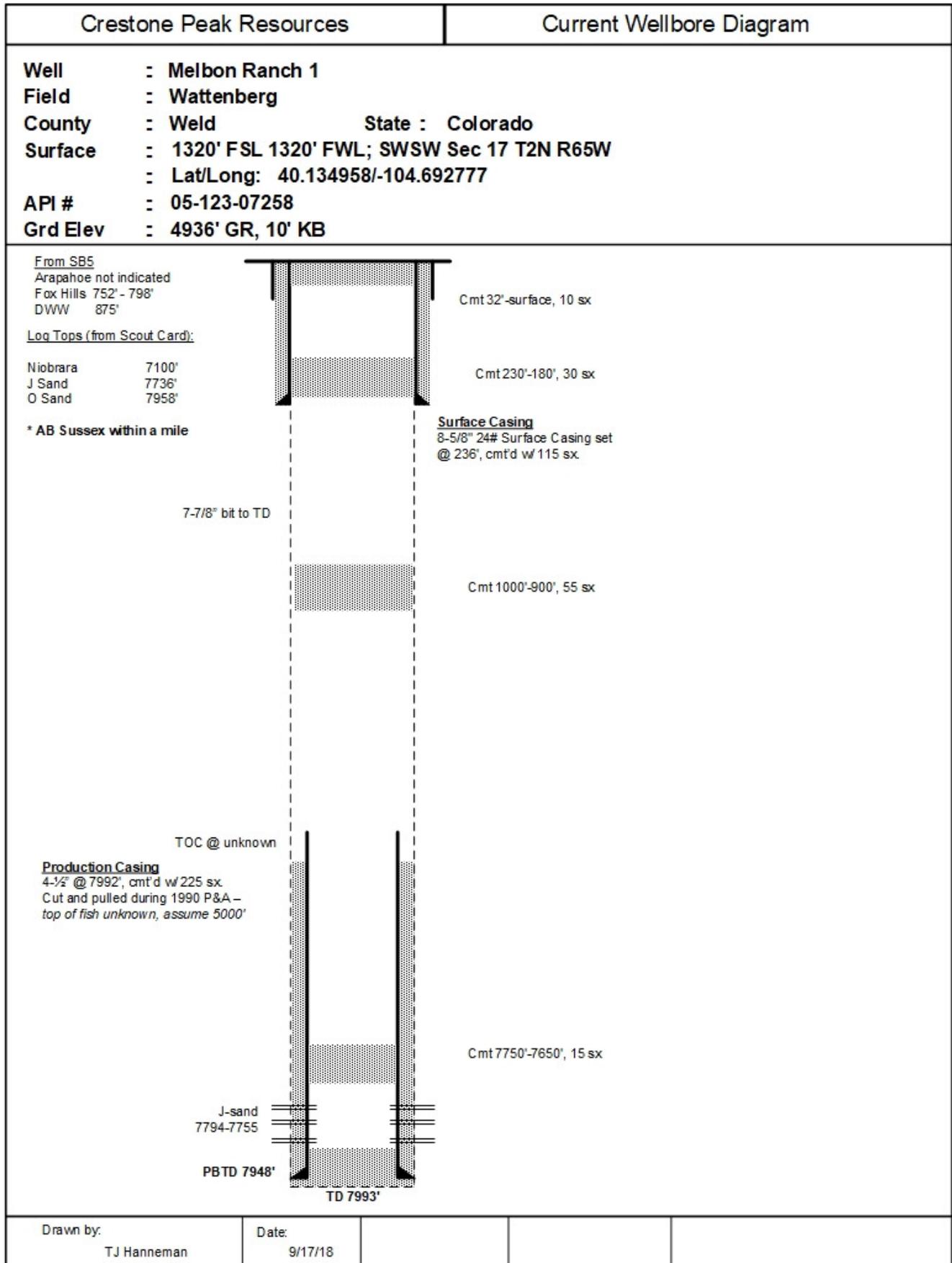
Find well and prep to re-enter well. Drill out all plugs. Plug well again with improved plugging requirements.

Procedure:

1. Contractor to obtain Line locates for ground disturbance. Locate well or casing stump. Have surveyor gather an as built survey of well location for records. Approvals from surface owner will be required. Submit Form 6 for approval of re-plug prior to hydraulic stimulation of proposed horizontal well. Refer to all COA's from approval from the COGCC.
2. Construct approved location and temporary access for the site after approvals have been made.
3. Submit Form 42 electronically to COGCC 48 hours prior to MIRU. Notify COGCC Inspector 24 hours prior to MIRU.
4. Dig up stump of original surface casing. Create bell hole to provide safe working area for welder. Cut off marker and prep for a slip-on collar with pup joint to get surface flange to ground level. Install 8-5/8", 3K, flange with adapter spool to go to 11" BOP, 3K Flange on top.
5. Back fill area and prep for rig.
6. MIRU drilling rig and auxiliary equipment.
7. Install 11", 3K BOP, including pipe rams, blind rams, annular, circulating head, mud cross with 3" line to choke manifold and 3" flow line to fluid system. Rig up a 2" kill line on bottom spool below Blind Rams. Test w 13ppg EMW.
8. Pick up 7-7/8" bit, bit sub, and drill collars. Drill out surface plug. Continue to pick up BHA elements until the full BHA is picked up.
9. RIH tag TOC. Drill out surface plug to 100', leaving approximately 30' cement in hole. Perform BOP test to 13 ppg EMW for 5 minutes.
10. Continue drilling out surface plug.
11. Circulate hole clean when surface plug is drilled out. Run in hole to the next plug. Expected top of 180'. Report the actual tag depth. Circulate hole with clean mud. Discard returned mud in waste tank. Have 9.8 ppg mud in system before drilling out plug.
12. Drill out next plug from 180' to about 240'. Circulate hole clean.
13. Run in hole to the next plug. Expected top of 900'. Report the actual tag depth. Circulate hole with clean mud. Discard returned mud in waste tank. Have 9.8 ppg mud in system before drilling out plug.
14. Drill out until good cement is being drilled out.
15. Underream from base of surface csg to TOC w 9-7/8" bull nose underreamer.
16. RU to run 7" 23# J-55 (minimum) casing or equivalent. RIH with guide shoe, float collar, and set at least to 950'.
17. RU cementers. Cmt w approximately 240 sx Schlumberger LiteCrete mixed @ 10 ppg Trace pre-flush w red dye and pump until cmt returns are noted at surface.
18. Cut off wellhead and reinstall 7" csg.
19. Perform BOP test at 250 psi (low pressure) for 5 minutes and 2850 psi (high pressure--MASP) for 15 minutes.
20. Pick up 6-1/8" bit, bit sub, and drill collars. Continue to pick up BHA elements until full BHA is picked up.
21. Run in hole and drill out float collar and float shoe.
22. Perform FIT to 13.5 ppg EMW.

23. Continue drilling out plug to ~1000'. Note where break through cmt plug.
24. Pull back up inside 7" casing. Circulate hole clean. Be prepared for gas kick. Circulate as needed to work gas out of system. Notify fire dispatch of any flaring or incinerator use.
25. Run in hole and circulate continuously with fresh mud. Discard the original well fluid in waste tank. Adjust mud weight as needed to control well. If bridge or obstruction is encountered, attempt to wash or otherwise remove without rotation. Only rotate as a last resort.
26. Run in hole to fish: top of 4.5" stub ~5000'. Please note any tag depths in report and report to engineer. Circulate well with clean mud. If find top of stub high, call engineer.
27. Condition mud as necessary to prepare for cement operations.
28. TOOH and lay down BHA.
29. RIH with 4" drill pipe open-ended.
30. Rig up cement equipment and pump plugs as follows, depending on fish top:
 - a. Plug 1: If it is possible to get into stub, pump 7120' to 6800' (plug above Niobrara-Codell) 25 sx of Class G cement with 35% silica flour.
 - b. Plug 2: Assume 4.5" csg stub @ 5000'. Tag top of stub and pump 75 sx Class G. ~4800' TOC.
 - c. Plug 3: Pump 100 sx of Class G cmt 4400'-4200'.
 - d. Plug 4: Pump 100 sx of Class G cmt 1900'-1700'.
 - e. Tag up to confirm plug top. Pump additional cement to get plug top to 1700' if necessary. Repeat to tag top before moving to next plug.
 - f. Plug 5: Start 50' below 7" csg shoe depth or 925' (whichever is deeper). Pump 100 sx Class G cmt. WOC for proper hardening time.
 - g. Tag up to confirm plug top. Ensure 50' above shoe depth.
31. MIRU wireline.
32. RIH tag TOC and set 7" CIBP. POOH with wireline.
33. RIH with wireline and dump bail 2 sx Class G cement on top of CIBP. POH.
34. RIH to 50' pump 35 sx to surface. LDDP. Top off casing.
35. Rig down drilling rig and all other auxiliary equipment. Move off location.
36. Per ground disturbance procedure/policy, excavate around wellhead. Notify EH&S to scan wellhead with FLIR to confirm well is plugged with no gas at surface. Save FLIR info in well file.
37. Cut off casing 4' below ground level or as approved by COA's.
38. Weld on metal plate and/or dry hole marker as per regulation.
39. Restore surface location and reclaim per arrangements with the surface developer.
40. Ensure all cement tickets are mailed or emailed to the Denver office for subsequent reporting.
41. Submit as-built well location GPS data with the Form 6 Subsequent Report of Abandonment.

Attachment #1 – Current Plugged Wellbore Diagram



Attachment #2 – Proposed Plugged Wellbore Diagram

