

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:
 403427998
 Date Received:

OGCC Operator Number: 10651 Contact Name: Alex Waner
 Name of Operator: VERDAD RESOURCES LLC Phone: (303) 2049636
 Address: 1125 17TH STREET SUITE 550 Fax: _____
 City: DENVER State: CO Zip: 80202 Email: awaner@verdadresources.com

For "Intent" 24 hour notice required, Name: Petrie, Erica Tel: (303) 726-3822
COGCC contact: Email: erica.petrie@state.co.us

Type of Well Abandonment Report: Notice of Intent to Abandon Subsequent Report of Abandonment

API Number 05-123-07126-00
 Well Name: BEST Well Number: 1
 Location: QtrQtr: SESW Section: 12 Township: 9N Range: 59W Meridian: 6
 County: WELD Federal, Indian or State Lease Number: _____
 Field Name: WILDCAT Field Number: 99999

Only Complete the Following Background Information for Intent to Abandon

Latitude: 40.760203 Longitude: -103.928936
 GPS Data: GPS Quality Value: 1.4 Type of GPS Quality Value: PDOP Date of Measurement: 04/28/2023

Reason for Abandonment: Dry Production Sub-economic Mechanical Problems
 Other Reentry

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	6685	6806	12/02/1969	CEMENT	135

Total: 1 zone(s)

Casing History

Casing Type	Size of Hole	Size of Casing	Grade	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top	Status
SURF	12+1/4	8+5/8	J55	24	0	135	110	135	0	CALC

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 60 sks cmt from 6650 ft. to 6500 ft. Plug Type: OPEN HOLE Plug Tagged:
Set 115 sks cmt from 6884 ft. to 5584 ft. Plug Type: OPEN HOLE Plug Tagged:
Set 60 sks cmt from 2550 ft. to 2400 ft. Plug Type: OPEN HOLE Plug Tagged:
Set 115 sks cmt from 574 ft. to 274 ft. Plug Type: OPEN HOLE 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 160 sacks half in. half out surface casing from 185 ft. to 0 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

Surface Plug Setting Date: _____ Cut and Cap Date: _____ Number of Days from Setting Surface Plug to Capping or Sealing the Well: _____

*Wireline Contractor: _____

*Cementing Contractor: _____

Type of Cement and Additives Used: _____

Flowline/Pipeline has been abandoned per Rule 1105 Yes No

Technical Detail/Comments:

** Verdad will be using a closed-loop recirculating returns system consisting of shaker tank, mud tank, cuttings bin, and a utility tank to divert fluid to for solids to settle out, fluid for disposal, etc.**

1. File Form 42 2 days prior for P&A ops, notify COGCC field engineer of ops commencing
2. Familiarize all personnel with allowed access to location and areas allowed to be disturbed
3. Secure permission to access area and identify prospective well locations via satellite and survey data
4. Verify well location and excavate well
5. Once permission to begin work is secure, excavate area around well to sufficient size for safe access of casing, verify casing size, cut off cap, weld on slip collar w/ wellhead and riser, set cellar ring and back-fill
6. MIRU WO rig and beam, BOP, accumulator, rig pump, shaker tank, rig tank, 9.5ppg water-based mud, pipe float, 3-1/8" collars, 2-7/8" EUE work string, power swivel
7. Rig up tubing tools, NU BHA and function test
8. Make up BHA consisting of: 2-7/8 EUE string, 2x 3-1/8" drill collars, float, POBS, and 6.5" roller-cone bit
9. RIH and drill out previous cement plugs from 0-30' and estimated TOC 85' – 135'
10. Wash or ream in 7-7/8" open hole to 6,821'
11. Circulate and condition hole
12. TOOH and laydown BHA
13. RIH w/ 4.75" Tricone mill, XO, string float to 6,650'. Circulate and condition hole, if circulation is not established, contact engineer
14. MIRU cementers and pump 60 sks of Class G, 15.8 ppg, 1.15 yield cement from 6,650' – 6,500' to isolate the D Sand Formation. Displace and POOH through cement and release cementers, ensure that EOT is a minimum 100' above cement top before WOC
15. WOC 4 hours or otherwise advised by cementers and tag cement. If not tagged at or above 6,550', contact engineer. May require additional cement
16. Pull up hole to 5,884'. Circulate and condition hole, if circulation is not established, contact engineer. MIRU cementers and pump 115 sks of Class G, 15.8 ppg, 1.15 yield cement from 5,884' – 5,584' to isolate the Niobrara Formation. Displace and POOH through cement and release cementers, ensure that EOT is a minimum 100' above cement top before WOC
17. WOC 4 hours or otherwise advised by cementers and tag cement. If not tagged at or above 5,784', contact engineer. May require additional cement
18. POOH to 2,550', circulate and condition hole. RU cementers and pump 60 sks of Class G, 15.8 ppg, 1.15 yield cement from 2,550' – 2,400' to isolate the Upper Pierre Formation/Courtesy Plug. Displace and POOH through cement and release cementers, ensure that EOT is a minimum 100' above cement top before WOC
19. WOC 4 hours or otherwise advised by cementers and tag cement. If not tagged at or above 2,450', contact engineer. May require additional cement
20. POOH to 574', circulate and condition hole. Prior to placing the Fox Hills Aquifer plug, verify that all fluid (liquid and gas) migration has been eliminated. If evidence of fluid migration or pressure remains, contact engineer to verify with the COGCC for an update to plugging orders
21. If no fluid migration, RU cementers and pump 115 sks of Class G, 15.8 ppg, 1.15 yield cement from 574' – 274' to isolate the Fox Hills Aquifer. Displace and POOH through cement and release cementers, ensure that EOT is a minimum 100' above cement top before WOC
22. WOC 4 hours or otherwise advised by cementers and tag cement. If not tagged at or above 474', contact engineer. May require additional cement
23. POOH to 185', circulate and condition hole. RU cementers and pump cement until returns taken to surface, 160 sks of Class G, 15.8 ppg, 1.15 yield cement estimated. Once good returns taken, SD cement and POOH. Top off as necessary
24. RDMO cementers, rig, and supporting e

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

Signed: _____ Print Name: Alex Waner
Title: Operations Engineer Date: _____ Email: awaner@verdadresources.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: _____

COA Type	Description
0 COA	

Attachment List

<u>Att Doc Num</u>	<u>Name</u>
403428028	SURFACE OWNER CONSENT
403428029	WELLBORE DIAGRAM
403428030	WELLBORE DIAGRAM
403428031	PROPOSED PLUGGING PROCEDURE
403428032	LOCATION PHOTO

Total Attach: 5 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
		Stamp Upon Approval

Total: 0 comment(s)