

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:
 403473546
 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 05-123-07276-00
 Well Name: STATE Well Number: 1
 Location: QtrQtr: NESW Section: 36 Township: 10N Range: 59W Meridian: 6
 County: WELD Federal, Indian or State Lease Number: OG 71/211-S
 Field Name: IGO CREEK Field Number: 38310

Only Complete the Following Background Information for Intent to Abandon

Latitude: 40.793218 Longitude: -103.929058
 GPS Data: GPS Quality Value: 1.2 Type of GPS Quality Value: PDOP Date of Measurement: 04/03/2023

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

Total: 0 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 | 174 | 125 | 174 | 0 | |

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 55 sks cmt from 6716 ft. to 6566 ft. Plug Type: OPEN HOLE Plug Tagged:
 Set 75 sks cmt from 5948 ft. to 5748 ft. Plug Type: OPEN HOLE Plug Tagged:
 Set 110 sks cmt from 1548 ft. to 1248 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:

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 75 sacks half in. half out surface casing from 224 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 Number of Days from Setting Surface Plug to Capping or Sealing the Well: _____
 Surface Plug Setting Date: _____ Cut and Cap Date: _____
 *Wireline Contractor: _____ *Cementing Contractor: _____
 Type of Cement and Additives Used: _____
 Flowline/Pipeline has been abandoned per Rule 1105 Yes No

Technical Detail/Comments:

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> |
|--------------------|-----------------------------|
| 403473547 | PROPOSED PLUGGING PROCEDURE |
| 403473548 | WELLBORE DIAGRAM |
| 403473549 | WELLBORE DIAGRAM |
| 403473550 | LOCATION PHOTO |
| 403473551 | SURFACE OWNER CONSENT |

Total Attach: 5 Files

General Comments

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

Total: 0 comment(s)