



March 7, 2024

Cannon Land Co.
3333 S Wadsworth Blvd Ste D-208
Lakewood, CO 80227-5122

RE: Section 18, T2N, R 66W Abandoned Wells Re-cap
ECMC Rule 412.a.(4), 434, 435.c Surface Owner Consent

Gentlemen:

Peterson Energy Operating Inc. ("Peterson") (Colorado Operator No. 68710) has been contracted by L.G. Everist, Inc. (L.G. Everist) to perform wellhead re-abandonment services on your property located in SE ¼, Section 18, Township 2 North, Range 66 West in Weld County, Colorado.

There are two previously abandoned oil wells located on your property; CLC Unit 2 API 05-123-08957 which was abandoned in 1996, and Cannon 15-18A API 05-123-20689, abandoned in 2017. These wells, which were originally cut and capped 4' below grade, are now exposed and stand approximately 30 ft above current grade due to mining operations being conducted by L.G. Everist. To safely continue mining operations L.G. Everist has contracted Peterson to cut and cap these wells at the currently existing grade at the mine floor. This is a standard operational procedure and occurs regularly when mining around previously plugged oil and gas wells. Cutting and capping a well is usually the last step in the abandonment process before the site is reclaimed. In this case, we intend to simply repeat the cut and cap procedure at the new grade level to ensure the well is safely left below the new ground elevation.

Pursuant to Colorado Energy and Carbon Management Commission (ECMC), previously known as the Colorado Gas Conservation Commission (COGCC), rules, Peterson is filing an ECMC Form 6 Intent to Abandon to obtain ECMC permission to perform this work. As a part of this submittal, we are required to obtain the surface owner's permission to proceed with this work.

Pursuant to ECMC Rule 412.a.(4), this letter provides Notice of Subsequent Operations to the Surface Owner at least 7 days in advance of subsequent operations. Work completed to cut and cap the well at the new depth will be conducted pursuant to ECMC Rules 434 Well Abandonment and 435 Form 6, Well Abandonment Reports.

Peterson Energy Operating, Inc. P.O. Box 2169, Loveland, CO 805339-2169 970-669-7411

Our scope of work includes the following:

- File ECMC Form 6 Intent to Abandon, to document cut and cap procedure.
- Locate the well casings standing in the mine (mine will have completed all excavation).
- Cut the casing off at the new grade.
- Verify cement from previous abandonment operations is present at this depth.
- If necessary, top off cement or place cement from 50' below new grade back to surface.
- Weld on new plate with requisite well information and weep hole.
- Survey well location and elevation of new cap depth.
- File ECMC Form 6 Subsequent Report of Abandonment to document work completed and information collected.

Peterson agrees to keep you or your designated representative informed as to timing and progress of operations as often as you deem necessary.

Please sign and return the consent form below and contact me at any time if you have questions about this operation.

Respectfully,



Ryan Dornbos,
President, Peterson Energy Operating, Inc.
ryan@petersonenergyoperating.com
Cell 303-915-9074
Engineering Consultants to L.G. Everist, Inc.

cc: Nick Lulic, L.G. Everist, Inc.

attachments: Cut and Cap Wells Map

SURFACE OWNER CONSENT

Pursuant to ECMC Rules 412.a.(4), 434, and 435.c, Cannon Land Co, surface owner, hereby consents to and agrees with Peterson Energy Operating's request to perform cut and cap activities for the following wells located in Sec.18-2N-66W, Weld County, Colorado.

CLC Unit 2 API 05-123-08957
Cannon 15-18A API 05-123-20689

Signed this 8th day of March, 2024.


Signature

PATRICK G. CANNON
Name

PRESIDENT, CANNON LAND COMPANY
Title