

Assessment of P&A Wells Within 1/4 Mile of Proposed CBM Well

July 10, 2018

Operator: BP America Production Company

Proposed Well: Cox #3 (API Pending)

Location: Sec 14, T32N, R06W

Based on a review of COGCC records, the following wells were identified as plugged and abandoned within 1/4 mile of our proposed well. Figure 1 shows the location of this well in relation to the proposed Cox #3 well.

Well Name: Cox #1 (API 05-007-05181)

Location: SWNE Sec 14, T32N, R06W

Drilled By: Feldt & Maytag

Operator Name: Thompson Engineering and Production, Inc.

Date Plugged: October 2012

The subject well was drilled to a TD of 6005' in 1963. The well was originally completed with the equipment summarized in the table below.

Casing String	Hole Size (in)	Casing Type	Top (ft)	Bottom (ft)	TOC (ft)	TOC Depth Method	Install Date
Surface	13-3/8"	10-3/4" 32.4 ppf	0	200	Surface	Observed	1963
Production	6-3/4"	4-1/2" 9.5 & 11.6 ppf	0	2935	414	Calculated (295 sx)	1963
Stage tool @ 2935'			2935	5839	4309	Calculated (160 sx)	1963

The well was completed in the Mesaverde with perforations from 4866' – 5154' and was fracture stimulated.

This well was plugged and abandoned in October 2012. A cement retainer was set at 4754' and the perforations were squeezed with 40 sx. 5 sx of cement were placed on top of the cement retainer. Three balanced cement plugs were set from 3001' to 2549', 1655' to 1448' and 274 to surface. A PVC line was run to 80' in the 10-3/4" x 4-1/2" annulus and the annulus was filled with 40 sx of cement.

In addition, an inspection of the Cox 1 was conducted on June 25, 2018 by contract personnel and soil gas surveys were performed. Vegetation in the vicinity of the Cox #1 was consistent with seasonal conditions and no obvious signs of stress were observed (Figure 2). No methane was detected by the soil gas surveys taken in the vicinity of the former Cox #1 location (Figure 3).

Based on our review of available records, the assumptions stated above, and the inspection of the former Cox #1 well location, it appears the subject well has been constructed and abandoned in a manner which provides sufficient isolation above the Fruitland Coal behind the production casing.

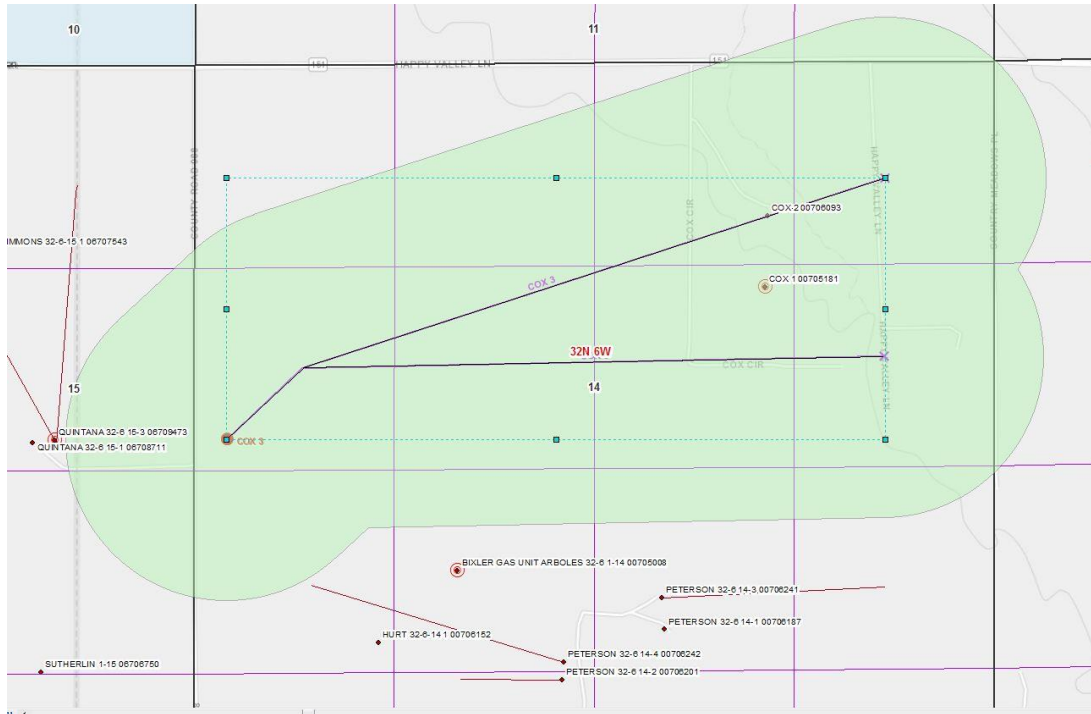


Figure 1 – Cox 3 Offset Map



Figure 2 - Cox 1 Location Photo

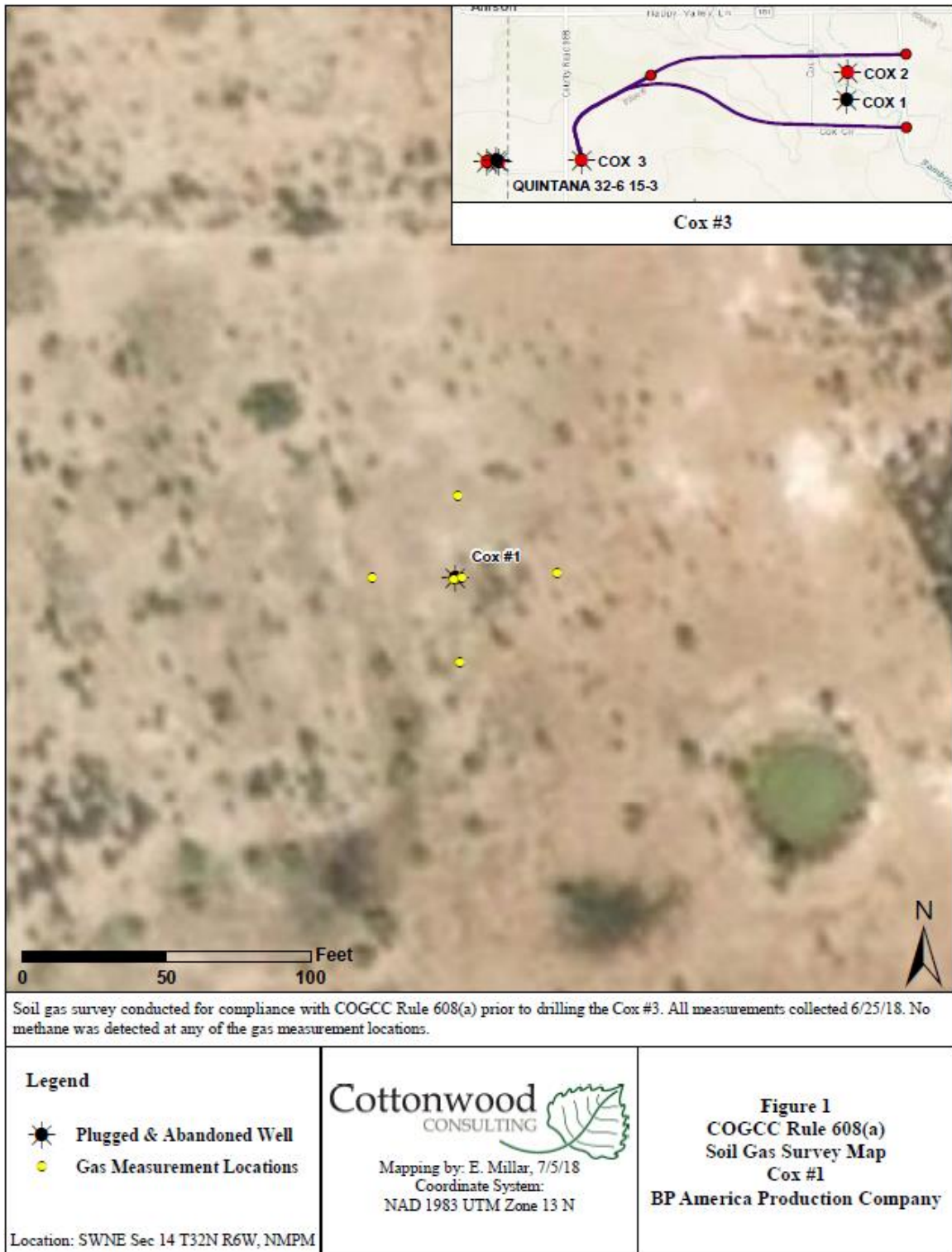


Figure 3 - Soil Gas Survey Map