

January 5, 2021

Via E-Mail

Deborah Abrams
Colorado Oil & Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, CO 80203

Re: Warning Letter # 402491859 dated 9/17/2020

Dear Ms. Abrams,

Renegade has been in discussions for the past couple of months with Diana Burn to determine the best way to address and/or correct the alleged violations in the September 17, 2020 Warning Letter. Specifically, Renegade responds:

309 Operator's Monthly Report of Operations.

Renegade is current in the submission and approval of Form 7's for all of its wells. Any corrections that may be necessary will be made immediately.

319.b Temporary Abandonment
326 Mechanical Integrity Testing

Attached is a spreadsheet detailing tubing, casing and bradenhead pressures for the wells subject to the Warning Letter. These pressures indicate casing integrity in almost all cases. Further, these wells were in production immediately prior to the Third Creek shut down, and pose minimal risk to the environment, public health, safety and welfare as indicated by the lack of any past or present bradenhead pressure. It is almost certain that if there were to be any casing integrity issues with these very old and very depleted wells, that the behind pipe drilling mud would "kill" the producing formation, trapping any hydrocarbons that could contaminate any fresh water zones.

Therefore, Renegade will be filing a Form 4 for each well requesting approval of this equivalent test, which is similar to the request made by and granted to the City & County of Denver for the DIA wells. Each of the Form 4's will include all tubing, casing and bradenhead pressures from the official tests since the well was shut in, additional relevant pressure data, and this letter of explanation.

As was discussed with Diana Burn, at an estimated cost of \$25,000 - \$30,000 per well per MIT, Renegade does not have the financial resources or the manpower to perform a traditional MIT on these 50 wells. Also, due to the same reasons detailed below, services from third party contractors to smaller companies are severely limited and very difficult to schedule.

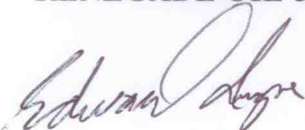
The perfect trifecta storm of 1) the unprecedented Third Creek shut down, 2) the COVID pandemic and its' effect on oil demand and prices, and 3) the new regulatory burden on the industry in Colorado, have combined to push Renegade to the edge. As I said to Diana, I am not looking to shirk my responsibilities as an Operator in Colorado – Renegade has operated very successfully in Colorado for over 30 years -- but without gas sales and the corresponding oil production, the ability to comply with the Warning Letter via a traditional MIT is very limited.

Renegade has, continues and will continue to actively operate, maintain, manage and monitor the wells. We are very aware that the wells are idled, we have operating wells surrounding and proximate to all of the wells affected by the Third Creek shut down, and will continue to operate these wells as a prudent operator. It is our belief that these wells still have commercially recoverable reserves and to prematurely abandon them would be a waste. Our intent is to place the wells back into production.

A Form 4 for each individual well is being prepared and each will be submitted just as soon as possible in the coming days and weeks.

Sincerely,

RENEGADE OIL & GAS COMPANY, LLC

A handwritten signature in dark ink, appearing to read "Edward Ingve", written in a cursive style.

Edward Ingve
Owner/Manager

Renegade Oil & Gas Company, LLC
Warning Letter - MITs
Bradenhead Tests

	Well	API	Date	Tbg	Csg	BH	Lift	Surf Csg
1	Halverson 20-13	001-06121	10/22/20	650	650	0	Plunger	253
2	UPRR-Habel 1-35	001-06554	04/21/20	195	195	0	Pumping	169
3	UPRR-Marrs 1-3	001-06566	04/21/20	0	80	0	Pumping	167
4	Ferguson 21-9	001-06614	08/19/20	5	140	0	Pumping	200
5	UPRR-Habel 3-27	001-06634	04/21/20	300	300	0	Plunger	240
6	UPRR-Walker 1-29	001-06660	09/04/20	0	0	0	Pumping	229
7	State 16-16	001-06673	09/04/20	0	500	0	Pumping	243
8	Halverson 20-11	001-06804	10/22/20	0	240	0	Pumping	240
9	State 36-16	001-06843	09/03/20	310	310	0	Plunger	241
10	Smith 20-4	001-07034	11/03/20	0	138	0	Pumping	239
11	Davis 32-13	001-07035	10/22/20	0	125	0	Pumping	248
12	Champlin 248 Amoco A 1	001-07114	10/21/20	625	625	0	Plunger	230
13	Bradbury B 1	001-07206	12/14/20	410	410	48	Plunger	202
14	Champlin 78 Amoco B 1	001-07207	10/23/20	0	390	0	Pumping	208
15	Hosmer 23-32	001-07267	10/23/20	18	410	0	Pumping	180
16	UPRR 23 Amoco E 2	001-07278	10/23/20	0	420	0	Pumping	214
17	Hosmer 34-32	001-07336	10/23/20	0	0	0	Pumping	177
18	GFTR - State 6-2	001-07430	09/03/20	60	450	0	Plunger	210
19	Thornburg 1-X	001-07487	08/20/20	0	160	0	Pumping	261
20	Thornburg 1-B	001-07666	08/20/20	0	0	0	Pumping	288
21	Champlin 248 Amoco A 3	001-07721	10/21/20	0	310	0	Pumping	213
22	Champlin 248 Amoco C 1	001-07878	10/21/20	0	75	0	Pumping	238
23	Champlin 248 Amoco C 3	001-07884	10/21/20	0	505	0	Pumping	214
24	Champlin 248 Amoco C 2	001-07885	10/21/20	0	68	0	Pumping	500
25	Champlin 248 Amoco A 4	001-07986	10/21/20	0	0	0	Pumping	229
26	Champlin 248 Amoco C 5	001-07987	10/22/20	0	140	0	Pumping	210
27	Champlin 248 Amoco C 4	001-07988	10/22/20	0	85	0	Pumping	209
28	Champlin 248 Amoco C 7	001-08053	10/22/20	230	230	0	Plunger	228
29	Bradbury 12-14	001-08197	04/17/20	0	7	0	Pumping	432
30	Champlin 75 Amoco K 2	001-08228	10/21/20	350	360	0	Plunger	1,711
31	(UPRR) Vetter 21-31	001-08309	10/23/20	0	20	0	Pumping	214
32	Bradbury 32-24	001-08322	05/20/20	195	195	0	Plunger	323
33	Maynard State 6-4X 2	001-09118	09/03/20	0	0	0	Pumping	205
34	Stark 19-13 1	001-09134	10/22/20	0	125	0	Pumping	250
35	Champlin-Danford 1	001-09195	10/22/20	175	175	0	Plunger	321
36	Lowry State 13-25	005-06327	12/21/20	30	515	0	Pumping	208
37	State of Colorado U 2	005-06560	12/18/20	8	345	0	Pumping	532
38	State of Colorado AA 1	005-06654	12/08/20	6	322	0	Plunger	271
39	Schroth-UPRR 22-21	005-06921	04/24/20	410	450	0	Plunger	225
40	Cox 1-8	005-06928	04/30/20	600	600	0	Pumping	219
41	Whitehead 18-4	039-06238	12/30/20	0	28	0	Pumping	224
42	Hay 4-5	039-06279	12/30/20	0	202	0	Pumping	215
43	Running Creek 15-5	039-06476	11/30/20	198	198	0	Plunger	220
44	Running Creek 15-3	039-06480	11/30/20	247	247	0	Plunger	210
45	Running Creek Ranch 15-6	039-06509	11/30/20	198	188	0	Plunger	223
46	COGC 1-9-6-63-K-Vetter 1	039-06528	12/14/20	315	320	0	Plunger	1,823
47	Musgrave 15-2	039-06536	11/30/20	0	2	0	Plunger	264
48	Coggins 10-16	039-06546	11/30/20	5	142	0	Pumping	2,067
49	Myers 12-3 1	039-06547	12/14/20	2	8	0	Pumping	1,692
50	Vetter 2-9-6-63K 2	039-06555	12/14/20	0	2	0	Pumping	1,810