



# THE PLUG & ABANDONMENT PROCESS

When a well is no longer economically producing oil and natural gas, the well is evaluated for retirement and will undergo a process called 'plug and abandonment,' or P&A as it is often called.

To retire, or P&A, a well, the operator must submit a plug and abandonment plan to the state regulatory authority, the Colorado Oil and Gas Conservation Commission (COGCC) for approval.

Once the plan is approved by the COGCC, the operator is required to inform the municipality where the well is located. Operators also communicate with surface land and mineral owners and surrounding neighbors regarding the retirement of the well.

## How a Well is Retired



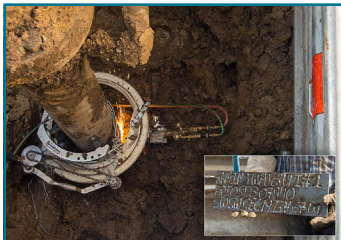
1

A workover rig arrives on-site. While the rig is on location, the well will be plugged per the plan approved by the COGCC. Cement is pumped into the well to cover and isolate the zones that produce oil and natural gas.



2

When the plugging operation is complete, the workover rig moves off the location, the well head is removed and the associated flowlines are excavated. Associated surface equipment (tanks, separators, etc.) may also be removed if it is not serving other active wells in the area.



3

The remaining portion of the well is cut a minimum of seven feet below the surface and an identifying marker is welded to the top of the plugged wellbore.



4

A final report is submitted to the COGCC to certify the wellbore has been plugged in accordance with the regulatory requirements.



5

The site is reclaimed, or restored, to match the existing landscape.