



P&A Procedures with a Safety Mindset



About Delsco Northwest

Company History

Delsco Northwest is a Utah-based oilfield service company with a 44-year history of success. Founded in 1977 by Louisiana native Albert Richard, the company has grown into the largest wellhead service and workover rig business in the Rocky Mountains. To date Delsco has successfully executed 225 P&A jobs and is now targeting rapid expansion into the high growth **Plug & Abandonment** market of the US Lower 48.

Delsco's Culture

VALUE STATEMENT

Trusting each other to find a **respectful** way to help someone if you can for our team, customers, and community. Our **goal** is to have a seamless culture between work and home, where **Delsco is more** than just a job.

MISSION STATEMENT

Our Mission is to be the best oilfield service provider in the Rocky Mountains by building on the foundations of **protecting** the team, **be early, no complaints**, and not settling on being just okay.

VISION STATEMENT

We desire to create an environment where we push each other to **get comfortable being uncomfortable**, while **leading with compassion** and tenacious **hustle**. We will manage every moment of every day, and we will make a conscious effort to be a **high achiever** now and for generations to come.

Distinctiveness

- Mature leadership, culture, and processes with deep bench
- Recognized safety performance with history of operational excellence
- Community leaders with a service-minded culture – “*who have you helped today?*”
- Superb financial responsibility with strong performance
- Standardized operations, accounting, and back-office processes to support company, customers, and community

Major Customers



History of Service Excellence

Delsco is the preferred partner of State P&A Programs

To the entire Delsco team,

"I want to pass on a compliment to the entire team at Delsco tonight. We all experienced, yesterday and today, the reason that the State issued an emergency plugging contract for this orphan well. The way Delsco responded to yesterday's frustrating situation is probably the best team response I've personally seen in my 20-year career. There was no hesitation in action, outside of taking the appropriate time, to communicate and put heads together to formulate a plan. There was no argument. There was no complaining. Once a plan was developed, there was no wasted time in gathering the necessary equipment, tools, and resources. It is impressive to see a company's employees, from top to bottom, working together to get a job done, it also speaks volumes about the relationships Delsco has with other vendors. I saw office administrative personnel pitch in to transport tools. I saw supervisors take time to quietly teach and train how to perform tasks and explain the often overlooked 'and this is why it should be done that way.' The biggest compliment of all, needs to go to the five guys that spent the last two days, not only frustrated, but also very wet, cold, and tired. I saw patience, cooperation, effort, and terrific attitudes."

**From the State of Utah,
Thank you.**



To Whom It May Concern,

"Delsco Northwest Inc. has illustrated their attention to detail, quality and safety on a number of occasions. It is the policy of the COGCC to strive for the highest safety standards. Working safely requires a serious commitment by everyone within the organization including our contractors. Delsco Northwest Inc. has met and exceeded our safety program. Scheduling within the oil and gas industry is typically an art form in itself and Delsco Northwest Inc. has been able to effectively meet project schedule requirements. The crews I have worked with have been able to quickly adapt to schedule changes from other contractors in order to keep their schedule on time and aligned with the overall project schedule. In addition, Delsco Northwest Inc. has been exceptionally accommodating when dealing with unforeseen conditions and potential change orders. Please consider Delsco Northwest Inc. for your oilfield related service needs. I recommend them and look forward to working with them again."

**Sincerely,
Engineer
COGCC Orphaned Well Program**

State of Colorado



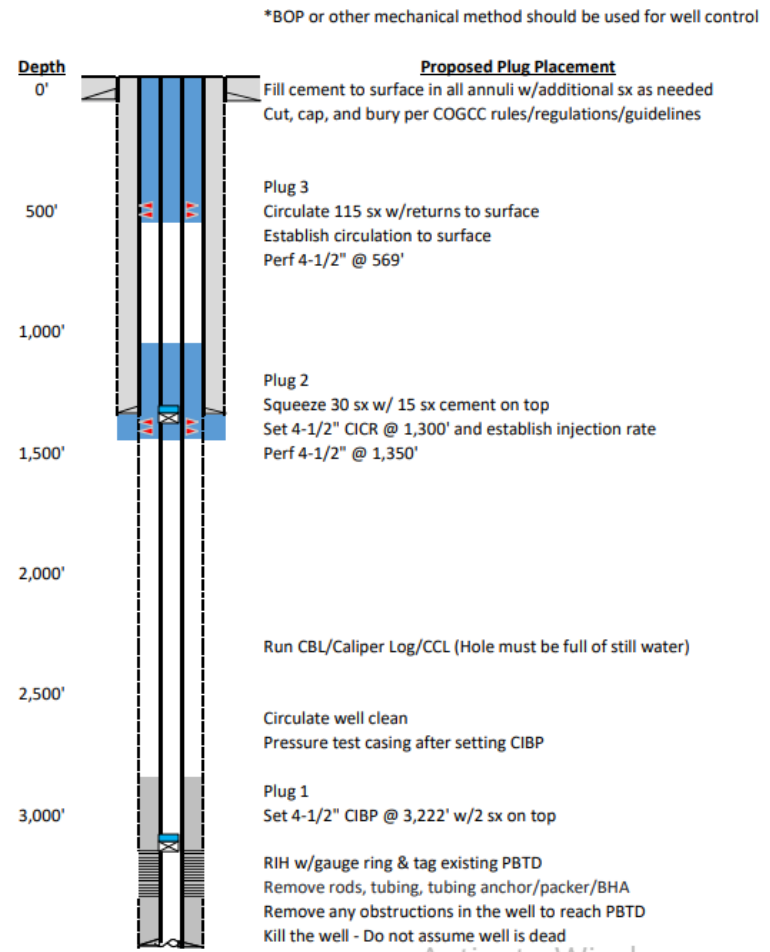
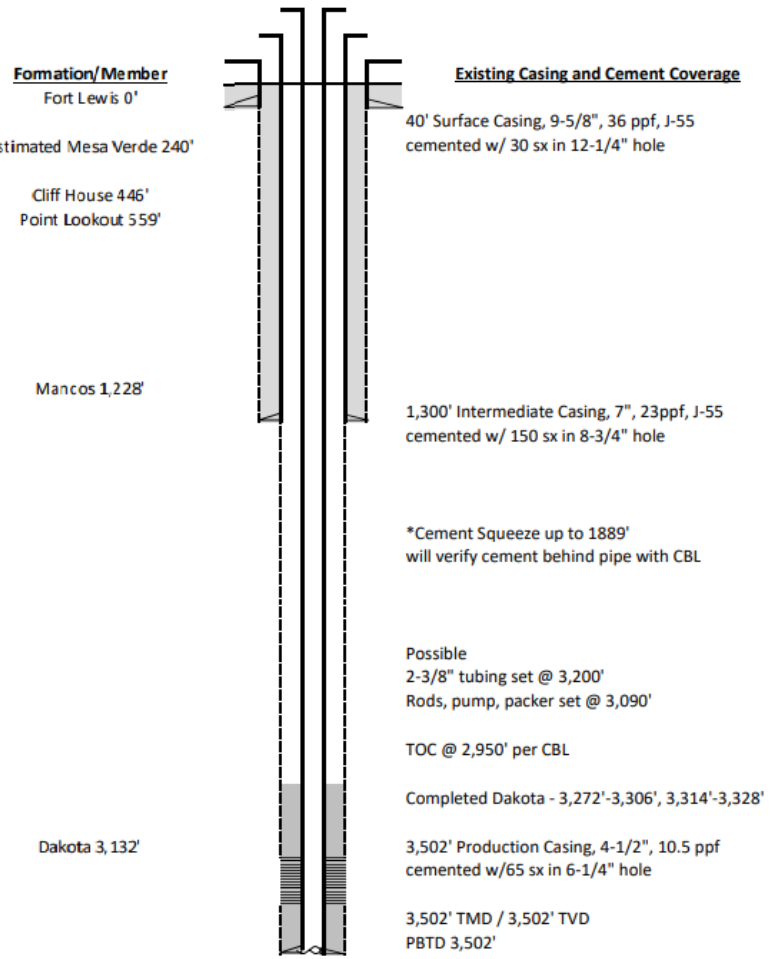
Procedures prior to rigging up on well

- **Bradenhead test done on well, to evaluate shut-in pressures and blowdown characteristics of all annular spaces in the well.**
- **Rig anchors (deadmen) are located and pull tested and replaced if necessary.**
- **Remediation crew removes all surface equipment, tank batteries, pump jack, separators, cement pads. Leaving only the wellhead on location.**
- **In rare occasions we must weld a new well head on the casing.**
- **Nipple up our BOP**
- **If the well has pressure we hook up mobile incinerator and burn off gas to get pressure down.**

Procedures during rigging up on well

- **Rig up the work over rig, securing to deadmen anchors.**
- **Pump heavy brine down well bore to “kill” the well.**
- **Remove rods and tubing if necessary**
- **Follow the established P&A procedure for the well. (see attached WBD and plugging procedures)**

Typical well bore diagram with plugging procedure



Procedures guarantee the safety of the well bore

- **Isolating zones that were producing zones, keeps the oil and gas in the area that it belongs.**
- **Isolating water zones if any, protects ground water from possible contamination.**
- **Making sure you have circulation with cement verifies that the cement is going where it needs to be going. Not out into formation.**
- **Verification of bond logs and gravity of cement checks integrity of the cement in the well bore.**

Proper disposal of contaminated liquids and solids

- **All liquid and solid waste must be disposed of at a state certified disposal sites (soil farms) this includes contaminated soils, returns from cement and well bore.**
- **Certified E&P liquid waste can be disposed of in certified wastewater disposals. (Injection wells)**
- **Document, document, document! Disposal tickets for every load documenting well information that contaminants are being received from and quantities.**

Safety “musts” through the P&A process

- DOT rules and regulations while transporting equipment must be followed.
- Safety equipment will always be used (BOP's, incinerators to burn off excess gas, pressures will be constantly monitored. Never assume that a well is dead)
- 4-way monitors will be on every person on location and calibrated to standards.
- Weekly and monthly inspections will be completed for equipment. (WhipAround)
- JSA meeting every start of shift, and if scope of work changes. Identify and talk through and eliminate hazards.
- 100% tie off from ground up on SRL

DELSCO NORTHWEST

GPS Coordinates: Lat. 40,224 Long. 410,366

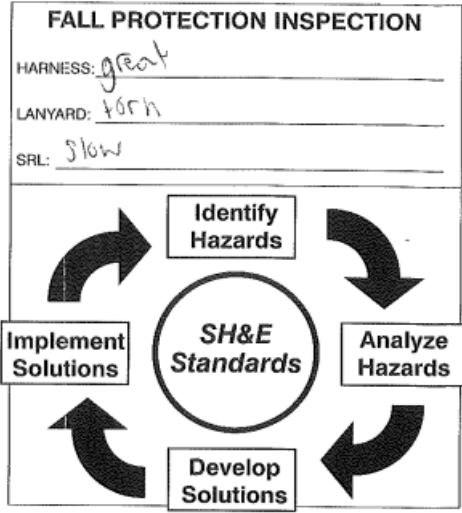
JOB SAFETY ANALYSIS FORM (JSA)

RIG # 112

JOB: <u>PICK UP RODS, RIG DOWN</u>		WEATHER CONDITIONS:
LOCATION: <u>CHESTNUT 3-1704</u>		TITLE:
DATE: <u>10/12/22</u>		DATE REVIEWED:
PERSONAL PROTECTIVE EQUIPMENT <u>hard hat, glasses, gloves, boots</u>		
SEQ. OF JOB STEPS	POTENTIAL HAZARDS	PROCEDURE TO ELIMINATE HAZARD
1. <u>bleep off well</u>	<u>h2S, pressure</u>	<u>wear monitor check valves</u>
2. <u>PICK UP RODS OFF TRAILOR</u>	<u>SLIPS, TRIPS, FALLS, PINCH POINTS</u>	<u>help, communicate.</u>
3. <u>PICK UP POLISH ROD</u>	<u>heavy, awkward hold</u>	<u>USE BODY SYSTEM HAND PLACEMENT</u>
4. <u>RIG DOWN</u>	<u>front lines, pinch points</u>	<u>look up, hand/body placement</u>
5. <u>Slide unit / get on line</u>	<u>fall + lines, pinch points</u>	<u>stay from winchline, body placement</u>
6. <u>move rig</u>	<u>traffic, animals, bad roads</u>	<u>USE SPOTTERS, OBSERVER, BEAWARE</u>
7.		
8.		
9.		
10.		
11.		
12.		

PREPARED BY: Grant R POSITION: hand DATE: 10/12/22

ANY PERSONNEL ON SITE MUST PRINT THEIR NAME		EMERGENCY CALLER
NAME	NAME	<u>Mike B</u>
<u>Ben Hester</u>	<u>Ben Hester</u>	EMERGENCY DRIVER
<u>Brandon Smith</u>	<u>Brandon Smith</u>	<u>Mike B</u>
<u>Mike Bellino</u>	<u>Mike Bellino</u>	EMERGENCY #
<u>Mike Cole</u>	<u>Mike Cole</u>	<u>911</u>
<u>M. H.</u>	<u>M. H.</u>	MUSTER AREA
<u>AL L</u>	<u>AL L</u>	<u>mouth of location</u>



We Value Safety

We are committed to achieving zero occurrences by working safely at all times and in all places. We will look for opportunities to praise safe behavior, and always correct unsafe acts or unsafe conditions.

- H - Hand Placement**
- E - Eyes on Path**
- L - Line of Fire**
- P - Position of Footing**

After plugging operations are complete

- Well head is topped off with cement and cut capped and buried 4-6 foot below surface. A marker is welded on top of the cut off identifying the well.
- If any “stained” soil is found during process soil samples are taken.
- If contamination is found remediation of contaminated soil is completed.
- Flowlines are removed from site and sometimes off site.
- Recontouring of well pad and reseeding of well pad if necessary. Most private landowners leave the roads and level spot for their own use.

What is the legacy that you want to leave?

- **By leaving things better than we found them both as a service company and as a producer helps our legacy in our communities and public image.**
- **We have been very blessed to build a relationship with the states and producers to successfully complete over 200 P&A projects in the last 2 years.**
- **We have been able to do this by having a strong safety culture, led from the ground up. With the whole team having 100% buy in of our culture is how we win both on the safety front and financially.**

Thank you!!