



CRESTONE PEAK
RESOURCES

Five Phases of a Well

FACT SHEET



Site Preparation

Engineers, geologists, and land professionals work with landowners, state and local government and other interested parties to determine the best location for the well site based on several factors, such as environmental and community impacts, land use, and production capability.



Drilling

Drilling operations typically last 15 to 20 days per well depending on the well depth and are continuous until the well reaches its total depth. Crestone utilizes several mitigation strategies based on experience in the DJ Basin, latest technologies and industry best practices, and is committed to improving and adjusting operations as needed to minimize the impact on nearby residents.



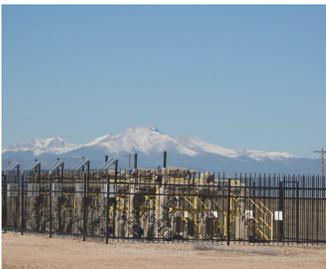
Completions

Once the wells are drilled, the completion process begins. This phase can last 10 to 15 days per well. The completion process includes running production casing; simulating and fracturing the well; and installing equipment to facilitate the flow of natural gas and oil out of the well.



Initial Production

Next, the natural gas and oil rises up the tubing through the wellhead and is transferred to adjacent equipment where the multiple streams of natural gas, oil and produced liquids are separated. Natural gas is transferred to a nearby gathering line where it is sent to a refinery, while the liquids are transferred via a pipeline network to Crestone's centralized liquids handling facility, The Hub. Produced water is treated for reuse or disposed of per local and state regulations.



Reclamation

Once the well is producing, re-contouring and reseeded of the well pad may occur. Each location is different; landowner or operator agreements and/or regulatory standards guide the well pad reclamation process.

1. SITE PREP 4-8 weeks

3. COMPLETIONS 8-18 weeks*

5. RECLAMATION time varies ▶▶▶▶

2. DRILLING 14-23 weeks*

4. INITIAL PRODUCTION 3-4 weeks

5. MAIN PRODUCTION 20-30 years ▶▶▶▶

*timing varies depending on number of wells on location