



**FINANCIAL ASSURANCE PLAN
 NOTICE OF DECISION**

**Prospect Energy LLC - 10312
 Form 3 - 403365560
 Effective May 23, 2023**

The Director of the Colorado Oil and Gas Conservation Commission (COGCC) has **approved** the above referenced Form 3, Financial Assurance Plan, as authorized by COGCC Rule 702.e.(1). A copy of this Notice has been attached to the submitted Form 3 for record keeping purposes.

The approved Option 3 Plan requires 5% of the following Financial Assurance amounts to be submitted "as soon as practicable but no later than within 90 days" of the above date and continuing annually by July 1 thereafter until such time as the entire amount is provided.

Required Assurance

		5%
• Rule 702: \$	5,400,000	\$ 270,000
• Rule 703: \$	0	\$ 0
• Rule 704: \$	<u>100,000</u>	<u>\$ 5,000</u>
TOTAL	\$ 5,500,000	\$ 275,000





COLORADO

Oil & Gas Conservation Commission

Department of Natural Resources

Form 3 - Financial Assurance Plan

Summary Information Overview

Form Name: **Form 3 - Financial Assurance Plan**
Document Number: **403365560**
Date Submitted: **5/18/2023**

Operator Information

- Operator Number: **10312**
- Operator Name: **PROSPECT ENERGY LLC**
- Operator Address: **1036 COUNTRY CLUB ESTATES DR ATTN: WARD GILTNER**
- Operator City: **CASTLE ROCK**
- Operator State: **CO**
- Operator Zip: **80108**
- First Name: **Ward**
- Last Name: **Giltner**
- Contact Phone: **(303) 489-8773**
- Contact Email: **prospectenergy@icloud.com**
- Initial Plan:
- Docket Number:
- Commission Order:
- Subsidiary Operators: **None**
- Revised Plan Description:
- Operator Transfer Type:
- Operator's Total Oil Production: **25,236**
- Operator's Total Gas Production: **1,030**
- Operator's Aggregate GOR: **40**
- Operator's GOR Determination: **BOE**
- Operator's Average Daily Per-Well Production: **2.1295 BOE**
- Public Company: **NO**
- Current Approved Plan Option:

Well Data

Well Status Data

Reported Plugged Wells are excluded.

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Status	Total	With Federal Financial Assurance	Tribal Wells	Subject to Rule 702
Active	0	0	0	0
Active Permit	0	0	0	0
Domestic	0	0	0	0
Drilling	0	0	0	0
Injecting	16	0	0	16
Producing	17	0	0	17
Shut In	15	0	0	15
Suspended Operations	0	0	0	0
Temporarily Abandoned	2	0	0	2
Waiting on Completion	0	0	0	0
TOTALS	50	0	0	50

Well Designation Data

Designation	Total	With Federal Financial Assurance	Tribal Wells	Subject to Rule 702
Defined Inactive	13	0	0	13
Noticed Inactive	0	0	0	0
Inactive Exception	0	0	0	0
Out of Service	0	0	0	0
Out of Service Repurposed	0	0	0	0
Low Producing	14	0	0	14

- **Number of Inactive Wells: 13**
- **Number of Wells Plugged (2023): 0**
- **Number of Wells Plugged (2022): 0**
- **Number of Wells Plugged (2021): 0**
- **Number of Wells Plugged (2020): 0**
- **Asset Retirement Planning Description: The two TA wells are planned to be PA'd this year. Other out of service wells will return to production this year, be P&A'd by next year, or will have active permits for recompletion.**
- **Plugged Wells Have Not Passed Final Reclamation:**

	Have Not Passed Final Reclamation	Were Covered by Financial Assurance in Previous FA Plan
Reported Plugged (RP) Wells:	0	0
Dry & Abandoned (DA) Wells:	0	0
Plugged & Abandoned (PA) Wells:	0	0
TOTAL:	0	0

FA Types & Bond Riders

- **Surety Bond:**
- **Is Operator's financial assurance partially or entirely provided through one or more bond riders?:** **NO**

Plan Options

- **Financial Assurance Plan Option:** **3**

Financial Assurance for Wells Option 3

- Operator chooses to use their Demonstrated Costs for Single Well Financial Assurance (SWFA):
- Total Number of Wells: **50**
- Number of Wells with SWFA: **50**
- Amount of SWFA using COGCC Costs: **\$5,399,999.99**
- Amount of SWFA using Operator's Demonstrated Costs: **\$0.00**
- Number of Transferred Low Producing Wells with Other Financial Assurance: **0**
- Amount of Other Financial Assurance for Transferred Low Producing Wells: **\$0.00**
- Number of Out of Service Wells with Other Financial Assurance: **0**
- Amount of Other Financial Assurance for Out of Service Wells: **\$0.00**
- Total Amount of Financial Assurance Required Pursuant to Rule 702.d.(3).B.: **\$5,399,999.99**
- Annual Contribution Amount: 5% of Total Amount: **\$270,000.00**
- Operator's Modified Annual Contribution Amount: **\$0.00**
- Operator's Modified Annual Contribution Amount: **0%**

Other Financial Assurance

- Number of Centralized E&P Waste Management Facilities with Financial Assurance: **0**
- Amount of Financial Assurance for Centralized E&P Waste Management Facilities: **\$0.00**
- Number of Remediation Projects with Financial Assurance: **0**
- Amount of Financial Assurance for Remediation Projects: **\$0.00**
- Amount of Blanket Financial Assurance for Seismic Operations: **\$0.00**
- Number of Gas Gathering, Gas Processing, and Underground Gas Storage Facilities: **0**
- Amount of Financial Assurance for Gas Gathering, Gas Processing, and Underground Gas Storage Facilities: **\$0.00**
- Number of Produced Water Transfer Systems: **0**
- Amount of Financial Assurance for Produced Water Transfer Systems: **\$0.00**
- Number of Commercial Disposal Facilities: **0**
- Amount of Financial Assurance for Commercial Disposal Facilities: **\$0.00**
- Amount of Statewide Blanket Surface Owner Protection Bond: **\$100,000.00**
- Number of Individual Surface Owner Protection Bonds: **0**
- Total Amount of Individual Surface Owner Protection Bonds: **\$0.00**

Operator's Financial Assurance Summary

- Amount of Financial Assurance Required per Rule 702: **\$270,000.00**
- Amount of Financial Assurance Required per Rule 703: **\$0.00**
- Amount of Financial Assurance Required per Rule 704: **\$5,000.00**
- Total Amount of Financial Assurance the Operator will provide to the Commission no later than 90 days from the Commission's approval of the Financial Assurance Plan: **\$275,000.00**

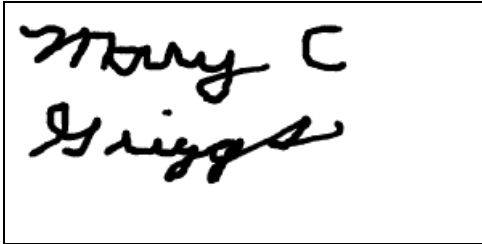
Attachments

- Attached Files:

Doc Num	Attachment name	File name	Uploaded
403401807	CERTIFICATION OF FINANCIAL CAPABILITY	Financial Capability Statement.pdf	05/12/2023 11:21:11 AM

Signature and Certification

- *Form Created:* 4/5/2023
- *Operator Comments:* **Please contact the General Manager Ward Giltner with any comments or questions.**
- **I hereby certify all statements made on this form are, to the best of my knowledge at the time of submittal, true, correct, and complete.**
- *Name:* **Mary C Griggs**
- *Title:* **Consultant**
- *Email:* **griggs.mary@comcast.net**
- *Phone:* **(303) 912-8292**
- *Signature:*

A rectangular box containing a handwritten signature in black ink. The signature reads "Mary C Griggs" in a cursive script.

Associated Documents

- 403407410 - FORM 3 SUBMITTED
- 403407411 - FORM 3 WELL LIST
- 403407412 - FORM 3 INACTIVE WELLS
- 403407413 - FORM 3 OTHER FINANCIAL ASSURANCE
- 403407414 - FORM 3 PLUGGED WELLS HAVE NOT PASSED FINAL RECLAMATION

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Jared S. Polis, Governor | Julie Murphy, Director | Scott Cuthbertson, Deputy Director Operations

