



Form 3 - Financial Assurance Plan

Summary Information Overview

Form Name:	Form 3 - Financial Assurance Plan
Document Number:	403912001
Date Submitted:	9/20/2024
Date Approved:	10/7/2024

Operator Information

Operator Number: **10805**

Operator Name: **FULCRUM ENERGY OPERATING LLC**

Operator Address: **240 SAINT PAUL STREET SUITE 502 ATTN: RYAN SULLIVAN**

Operator City: **DENVER**

Operator State: **CO**

Operator Zip: **80206**

First Name: **Ryan**

Last Name: **Sullivan**

Contact Phone: **(720) 647-9504**

Contact Email: **ryan@fulcrumef.com**

Initial Plan: ☐

Revised Plan: ☒

Docket Number:

Commission Order:

Subsidiary Operators: **None**

Revised Plan Description: **Revised Form 3B submitted and approved to identify Federal Financial Assurance wells (Doc #403888355). System fixed to pull data for Fulcrum's Centralized E&P Waste Facility Vaneta DAF 67N90W #463141. Fulcrum needs to update the bond associated with the Centralized E&P Waste Facility - Vaneta DAF 67N90W #463141 and cannot do so until this revised Form 3 with the correct data has been approved. Fulcrum has submitted a Form 3C (Doc # 403888373) to relinquish the surface owner bond Instrument Number B014715.**

Operator Transfer Type: **N/A**

Operator's Total Oil Production: **849,391**

Operator's Total Gas Production: **1,441,995**

Operator's Aggregate GOR: **1,697.68**

Operator's GOR Determination: **BOE**

Operator's Average Daily Per-Well Production: **47.21 BOE**

Public Company: **NO**

Current Approved Plan Option:

Well Status Data

Reported Plugged Wells are excluded.

Status	Total	With Federal Financial Assurance	Tribal Wells	Subject to Rule 702
Active	0	0	0	0
Active Permit	21	0	0	21
Domestic	0	0	0	0
Drilling	1	0	0	1
Injecting	3	0	0	3
Producing	37	10	0	27
Shut In	28	15	0	13
Suspended Operations	8	0	0	8
Temporarily Abandoned	0	0	0	0
Waiting on Completion	0	0	0	0
TOTALS	98	25	0	73

Well Designation Data

Designation	Total	With Federal Financial Assurance	Tribal Wells	Subject to Rule 702
Defined Inactive	10	5	0	5
Noticed Inactive	7	3	0	4
Inactive Exception	0	0	0	0
Out of Service	0	0	0	0
Out of Service Repurposed	0	0	0	0
Low Producing	18	9	0	9

Number of Inactive Wells: **10**Number of Wells Plugged (2024): **0**Number of Wells Plugged (2023): **0**Number of Wells Plugged (2022): **0**Number of Wells Plugged (2021): **0**

Asset Retirement Planning Description: Fulcrum Energy Operating, LLC (FEO) took over operatorship of assets owned by previous operators in Jackson County and is actively pursuing a horizontal drilling and development program. The projected life of the field is 30+ years. The age of infrastructure is anywhere from 1-10 years. FEO is committed to routinely monitoring all infrastructure to ensure it is in good working order. The technical team is currently evaluating the economics of wells in the basin, including inactive and low producing wells. The company's goal is to beneficially utilize all assets, and to plug and abandon any wells which are no longer economic or cannot be utilized for other purposes (i.e. EOR, injection, monitoring, etc.). There are no Out of Service wells.

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:	1	0
Dry & Abandoned (DA) Wells:	0	0
Plugged & Abandoned (PA) Wells:	2	0
TOTAL:	3	0

Surety Bond: ☒

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

Plan Options

Financial Assurance Plan Option: **2**

Financial Assurance for Wells Option 2

Operator chooses to use their Demonstrated Costs for Single Well Financial Assurance (SWFA): ☐

Total Number of Wells: **98**

5% of Total Wells: **4**

Number of Non-Low Producing Wells Covered by Per-Well Blanket: **64**

Number of Low Producing Wells Covered by Per-Well Blanket: **4**

Total Number of Blanket Wells **68**

Amount of Blanket Financial Assurance per Well **\$15,000.00**

Total Amount of Per-Well Blanket Financial Assurance **\$1,020,000.00**

Number of Low Producing Wells with SWFA: **5**

Amount of SWFA for Low Producing Wells using ECMC Costs: **\$218,076.92**

Amount of SWFA for Low Producing Wells using Operator's Demonstrated Costs: **\$0.00**

Number of Out of Service Wells with SWFA: **0**

Amount of SWFA for Out of Service Wells using ECMC Costs: **\$0.00**

Amount of SWFA for Out of Service Wells using Operator's Demonstrated Costs: **\$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 Financial Assurance for Wells: **\$1,238,076.92**

Other Financial Assurance

Number of Centralized E&P Waste Management Facilities with Financial Assurance: **1**

Amount of Financial Assurance for Centralized E&P Waste Management Facilities: **\$122,000.00**

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: **\$0.00**

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: **\$1,238,076.92**
Amount of Financial Assurance Required per Rule 703: **\$122,000.00**
Amount of Financial Assurance Required per Rule 704: **\$0.00**
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: **\$1,360,076.92**

Attachments

Attached Files:

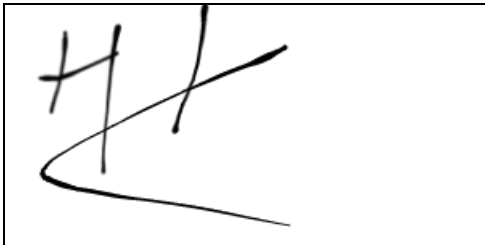
Doc Num	Attachment name	File name	Uploaded
403929090	CERTIFICATION OF FINANCIAL CAPABILITY	FEO Cert of Financial Capability 9.20.24.pdf	09/20/2024 11:29:01 AM
403947530	NOTICE OF DECISION/COMMISSION ORDER	10805 Fulcrum Energy Operating Notice of Decision - 403912001.pdf	10/06/2024 11:53:37 PM

Signature and Certification

Form Created: **9/6/2024**
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.

Operator Comments: **This revised plan is being submitted to populate the data required for Fulcrum's Vaneta DAF Centralized E&P Waste Management Facility, which was not appropriately pulled into the previous submittal under Doc # 403675745.**

Name: **Heidi Kaczor**
Title: **Regulatory**
Email: **heidi.kaczor@fulcrumeo.com**
Phone: **(303) 981-5409**
Signature:



Associated Documents

- 403929116 - FORM 3 WELL LIST
- 403929117 - FORM 3 INACTIVE WELLS
- 403929118 - FORM 3 OTHER FINANCIAL ASSURANCE
- 403929119 - FORM 3 PLUGGED WELLS HAVE NOT PASSED FINAL RECLAMATION
- 403929120 - FORM 3 SUBMITTED

Conditions of Approval

COA 1: The plan is approved as it applies to Financial Assurance associated with the Wells/Facilities identified in the plan. Additional Financial Assurance may be required as the Asset Retirement Plan, inactive well information, and other non-well infrastructure are evaluated further.

COA 2: The plan includes a number of plugged wells that have not passed final reclamation that may require additional financial assurance when the plan is reviewed pursuant to Rule 707.a.(1).D.

General Comments

User Group	Comment	Comment Date
Financial Assurance	Form 3A and required additional instruments, if applicable, are due as soon as practicable but no later than 90 days from From 3 approval date.	10/06/2024

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

