



Andrews, David

From: Andrews, David
Sent: Wednesday, September 22, 2010 11:08 AM
To: 'Bernie Rice'
Cc: Ellsworth, Stuart; Onyskiw, Denise; King, Kevin; Krabacher, Jay; Kellerby, Shaun; Longworth, Mike; Browning, Chuck; Ash, Margaret
Subject: RE: MV Smith-Gov #36 (05-103-05371) - Message is from an unknown sender

Bernie,

From COGCC's perspective, that is correct. No further reporting would be necessary if the well casing is not disturbed. While it is not required, you may want to consider installing a weather-tight roadbox cover over the well to allow access, if necessary for methane monitoring. A weather-tight road box would prevent infiltration of surface water which may cause corrosion of the well casing.

As indicated below, Rangely Hospital would assume some risk in the event that the well begins leaking in the future. The parking lot may have to be torn up to repair a leaking well, and I am not sure who would be financially responsible for the well repair and surface repair (Rangely Hospital or BLM). Considering that this well is federal surface and federal minerals, I would argue that the State would not pick up the bill. Please contact me when construction is complete. I will recommend that COGCC's field inspection staff perform a field inspection at that time to document the fact that paving is in place over the well.

Thanks,

David D. Andrews, P.E., P.G.
Engineering Supervisor - Western Colorado

State of Colorado
Oil and Gas Conservation Commission
707 Wapiti Court, Suite 204
Rifle, Colorado 81650
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CC: COGCC Well File, API No. 05-103-05371

From: Bernie Rice [<mailto:brice@RDHOSP.ORG>]
Sent: Wednesday, September 22, 2010 10:29 AM
To: Andrews, David
Subject: RE: MV Smith-Gov #36 (05-103-05371) - Message is from an unknown sender

David,

Thanks for getting back with me so soon, If I understand this correctly as long as we are able to NOT cut the casing off and make it accessible for repair we are good to go?

Bernie Rice

From: Andrews, David [<mailto:David.Andrews@state.co.us>]
Sent: Wednesday, September 22, 2010 10:17 AM
To: Bernie Rice
Cc: Ellsworth, Stuart; Onyskiw, Denise; King, Kevin; Krabacher, Jay; Kellerby, Shaun; Longworth, Mike; Browning, Chuck;

Ash, Margaret

Subject: RE: MV Smith-Gov #36 (05-103-05371) - Message is from an unknown sender

The Surface Development Policy is attached.

From: Andrews, David

Sent: Wednesday, September 22, 2010 9:01 AM

To: 'brice@RDHOSP.ORG'

Cc: Ellsworth, Stuart; Onyskiw, Denise; King, Kevin; Krabacher, Jay; Kellerby, Shaun; Longworth, Mike; Browning, Chuck; Ash, Margaret

Subject: RE: MV Smith-Gov #36 (05-103-05371)

Bernie,

I understand that Rangely Hospital has planned development (a parking lot) that would overly a plugged and abandoned oil well. I have reviewed COGCC's well file for MV Smith-Gov #36. A brief well history follows:

- 3/4/1965 – Spud well and set surface casing at 63'.
- 5/18/1965 – Reached total depth of 3500' in the Mancos Formation. Oil show reported at 1800'. No production casing set.
- 6/20/1965 – Plugged and abandoned well as a dry hole by filling with loose shale and cementing at surface. Surface casing was left in place.
- 9/2/1965 – Re-entered well and cleaned out top cement plug and loose shale.
- 11/5/1965 – Set production casing at 3162' with an unknown quantity of cement securing the production casing at the top of the well. It appears that the bottom portion of the well was uncemented. Oil show reported from 2900' to 2910'. Test results indicated 10 barrels of oil per day.
- Summer or Fall 1976 – Plugged and abandoned well by pulling production casing and setting cement plugs from 3500' to 3400', 3200' to 3100' (identified as a producing interval), 1800' to 1700', and 66' to 30', and a surface plug.
- COGCC production records through 1998 (the last year reported by lease before production reporting was reported on a well-by-well basis) indicate that there were two producing wells on the D-052318 lease, with a total cumulative oil production of 514,009 barrels and no gas production. I cannot determine if the MV Smith-Gov #36 contributed to this oil production.

Mancos wells in the Rangely Field are oil producers with minimal or no gas present, and based on my review of COGCC's well file, I believe that the plugging of this well was sufficient to minimize the potential for migration of oil or gas up the wellbore. However, surface development over plugged and abandoned oil or gas wells carries some inherent risk for the developer. COGCC normally cautions developers as follows and requires that developers comply with the attached Surface Development Policy for oil and gas wells on fee lands:

COGCC does not have authority over the construction of structures proximate to or overlying plugged and abandoned oil and gas wells. However, please be aware that the possibility exists that for some unforeseen reason, one or more of the downhole cement plugs may fail, and plugged and abandoned wells may begin to leak gas. The former oil and gas operator or COGCC may have to re-enter and repair leaking wells if plugs fail. Structures above or proximate to the plugged and abandoned wells limit access that may be required to perform repairs.

If fee a well casing is to be cut to meet a developer's final grade requirements, then COGCC would require that the developer take over the well as the new operator, as discussed in the Surface Development Policy, or COGCC would put the well on our waiting list for orphan plugging work. However, considering that the MV Smith-Gov #36 is on federal surface and has federal minerals, I don't believe that COGCC has jurisdiction in this matter. We may need to schedule a conference call with BLM to discuss their requirements if Rangely Hospital must cut the casing on the MV Smith-Gov #36 well during development of this location.

Please contact me at your convenience if you have any questions.

Thanks,

David D. Andrews, P.E., P.G.
Engineering Supervisor - Western Colorado

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Oil and Gas Conservation Commission
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Rifle, Colorado 81650
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Website: <http://www.colorado.gov/cogcc>

From: Ash, Margaret
Sent: Monday, September 20, 2010 4:37 PM
To: Andrews, David
Cc: Ellsworth, Stuart
Subject: FW:

I received a call from Bernie Rice with the Rangeley Hospital and he told me that they are building a new hospital on some land they received from BLM on which there is a D&A oil and gas well (# 05-103-05371). **On the attached document the well would be located**

BLM gave them the land and had stipulation "you must follow all rules and regulations regarding..." so they are asking what rules apply and if there is anything they should do. Right now the well is located where a parking lot would go so they will need to cut it off below grade.

I told Bernie that we would have to review the records to make sure plugging was adequate but for most part there shouldn't be any specific rules that they would have to comply with as long as they do not disturb the surface casing or surface casing plug. The records seem to be a little inconsistent – plugged in 1965 and then again in 1976? Listed as D&A but a certificate of clearance on file, also a letter from director indicating that this company might have re-entered without permit.

Bernie needs some information to provide H.U.D. before 9-23-10. Let me know if you think a FI should do an inspection.

Bernie indicates that email is best way to get in touch but his phone number is 970-675-5011 ext 132.

Well as described would be in SW corner of overlay, west, northwest of helicopter pad near first parking space.

Margaret A. Ash
Manager Field Inspection Unit
Colorado Oil & Gas Conservation Commission
Office: (303) 894-2100 Ext. 5110

Fax: (303) 894-2109
Cell: (303) 548-6298
margaret.ash@state.co.us

From: Bernie Rice [mailto:brice@RDHOSP.ORG]
Sent: Monday, September 20, 2010 3:58 PM
To: Ash, Margaret
Subject: FW:

Margaret here is the well number
Thanks
Bernie

From: Bernie Rice
Sent: Monday, September 20, 2010 3:50 PM
To: 'margaret.ash@state.co.us'
Subject:

Margaret I will call right back
Bernie Rice

Andrews, David

From: Ash, Margaret
Sent: Monday, September 20, 2010 4:38 PM
To: Andrews, David; Ellsworth, Stuart
Subject: FW: COGCC Web Contact n- Bernie contact info

Margaret A. Ash
Manager Field Inspection Unit
Colorado Oil & Gas Conservation Commission
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Cell: (303) 548-6298
margaret.ash@state.co.us

From: Missey, Jan **On Behalf Of** DNR OGCC
Sent: Monday, September 20, 2010 1:56 PM
To: Ash, Margaret
Subject: FW: COGCC Web Contact

Margaret, please see the email below. Thanks.

Jan Missey

Executive Assistant to the Director
CO Oil & Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, CO 80203
303-894-2100 x5121
303-894-2109 - fax
www.colorado.gov/cogcc

From: Bernie Rice [mailto:brice@RDHOSP.ORG]
Sent: Monday, September 20, 2010 1:29 PM
To: DNR OGCC
Subject: COGCC Web Contact

Hello,

My name is Bernie Rice I am the Chief Compliance Officer for Rangely District Hospital Rangely Colorado. We just obtained land from the BLM to build a new hospital on and there is an abandoned well on location. We need to get in touch with the appropriate person in order to obtain the rules and regs. We must follow to accomplish this. My phone Number is 970-675-5011
My e-mail is brice@rdhosp.org

Thank You for your assistance.
Bernie Rice



CRITICAL ACCESS REPLACEMENT HOSPITAL

RANGELY DISTRICT HOSPITAL
RANGELY, COLORADO 81648

Sheet Title:
**PROPOSED
SITE PLAN
OVER
EXISTING
AERIAL**

- | 17-AUG-2010
Sheet Number:

