



Andrews, David

From: Andrews, David
Sent: Tuesday, November 15, 2011 10:38 AM
To: Leonard, Mike; Labowskie, Steve
Cc: 'alanbussey@live.com'; Weems, Mark; Onyskiw, Denise; Ellsworth, Stuart; Burn, Diana; 'dave.diss@soudermiller.com'; 'hred31@gmail.com'
Subject: RE: Domestic (DM) Wells in Ouray County - Field Inspections and Preliminary Conversations with Landowner

All,

Update regarding 091-05005, Swanson-Peterson #1: The landowner does not intend to take over as operator, and therefore, I am recommending that this well be added to COGCC's State-funded orphan well program (PRAW) for plugging and abandonment. I informed the landowner that plugging and abandonment would not occur this fiscal year, ending 6/30/2012, and it may take a year or two to make it on our schedule.

Dave

From: Andrews, David
Sent: Thursday, November 03, 2011 9:42 AM
To: Leonard, Mike; Labowskie, Steve
Cc: 'alanbussey@live.com'; Weems, Mark; Onyskiw, Denise; Ellsworth, Stuart; Burn, Diana; 'dave.diss@soudermiller.com'; 'hred31@gmail.com'
Subject: Domestic (DM) Wells in Ouray County - Field Inspections and Preliminary Conversations with Landowner

Mike and Steve,

FYI - I took a quick look at two DM wells on the same parcel while I was in Ridgway on 10/17:

091-05004, Swanson A-1, Spud 6/9/1960, TMD = 4421'

- Document No. 702663, Verbal Abandonment Request, Phone log indicates, "T.D. 4421, Formation Elbert...Flowing H2O...Pipe cemented through Dakota..."
- Document No. 702667, Well Completion Report, shows the well as a Water Well, "...13-5/8" conductor at 36 feet cemented with 20 sacks, 8-5/8" surface casing at 871 feet cemented with 300 sacks regular cement plus 2% calcium chloride...Finished as a Water Well..." The surface casing shoe depth appears to be the same at the reported Morrison Formation top at 871'.
- Document No. 702664, Permit to Use Ground Water
- Document No. 702668, Sundry Notice, conversion to water well
- Considering that adequate documentation is in place for conversion of this well to a water well, **I changed the well status from DM to PA**, and this well no longer has CGOCC jurisdiction. Jurisdiction now belongs to CDWR (Receipt No. 9112658).
- Field Inspection Report #663100017 is attached.

091-05005, Swanson-Peterson #1, Spud 8/10/1947, TMD = 500'

- Document No. 976656, Correspondence, indicates that the landowner used the well year-round from 1970 to 1976 for heating and cooking. The 9/18/1986 letter indicates that the gas "quit flowing almost entirely" in 1986, and the volume of available gas had been declining during the previous two years. It appears that the landowner switched to propane in 1986 for heating in cooking.
- The well was shut-in on 10/17/2011, and it has likely been shut in since 1986.
- I spoke with the landowner on 10/24/2011 and advised him that the well would have to be produced, plugged and abandoned, or pressure tested to verify mechanical integrity. The landowner is interested in putting the well back on production. The landowner would be responsible for any costs associated with testing, well repair, and/or domestic hookups from the well.
- I discussed this project with Dave Diss (Souder, Miller & Associates [SMA], Farmington, NM). Dave indicated that SMA would be interested in working with the landowner to supervise the project, develop a scope of work, locate a service company, and prepare a cost estimate. Dave Diss can be reached by cell phone at (505) 320-1953, but I advised him to wait until I talk to the landowner again before he does anything.

- As far as I can tell, there is no bond for this well. It appears that the landowner would have to register as an oil & gas operator (Rule 302.a.) and submit adequate financial assurance (\$10,000 for an individual well < 3,000 feet deep per Rule 706.a.) prior to working on the well. A certification indicating that the landowner is also the mineral owner would also be required.
- I left a voice mail for the landowner last week to discuss my conversation with Dave Diss, financial assurance requirements, and certification requirements, but I haven't received a return call yet.
- If the landowner chooses not to work on the well and put it back on domestic production, then landowner financial assurance will not be required, and I will recommend that COGCC add the well to our State-funded orphan well program (PRAW) for plugging and abandonment.
- Field Inspection Report #663100010 is attached.

Landowner Contact Information: Alan Bussey (303) 355-9653

Landlord (Local Contact) Information: Heather Bussey-Patterson (970) 626-2345 home phone or (970) 318-6629 cell phone

Thanks,

David D. Andrews, P.E., P.G.

Engineering Supervisor - Western Colorado

State of Colorado

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