

Doc # 200369348



State of Colorado Oil and Gas Conservation Commission



1120 Lincoln Street, Suite 801, Denver, Colorado 80203 (303) 894-2100 Fax: (303) 894-2109

COMPLAINT REPORT

This form may be submitted by any party with a complaint regarding oil and gas extractive operations. The complainant is to complete this form and mail to COGCC, 1120 Lincoln St., Ste. 801, Denver, CO 80203, or fax to (303) 894-2109. COGCC will investigate the complaint and determine what action, if any, should be taken.

Complaint taken by: _____
API Number: _____
Facility ID: _____

COMPLAINT TYPE

Environmental Damage Noise Payment Site Maintenance Other (describe) Lack of consultation

COMPLAINANT INFORMATION

Name of Complainant: Jake and Wendy Simmons Phone Numbers: No. 970-397-9468
Address: 32649 WGR-53 No. _____
City: Greeleyville, CO 80631 Fax: _____
Date Complaint Taken by OGCC: _____ E-Mail: ironrangefarmer@aol.com and kimmell01@aol.com
Connection to incident (Land Owner, Royalty Owner, etc.): Land Owner

DESCRIPTION OF COMPLAINT (Please be as specific as possible)

Name of Operator: Petroleum Development Corporation OGCC Operator Number: _____
Date of Incident: Ongoing Facility Name: _____
Type of Facility (Well, Tank, Battery, Flow Line, etc.): Well and associated facilities
Well Name and Number: Simmons 4220
County: Weld County
Was an operator contacted? Yes No If yes, contact name: Steven Tracy

Provide a detailed description of the incident, problem and cause (equipment failure, human error, etc.)
Operator has failed to properly consult with Land Owner to reasonably accommodate Land Owner's needs and to minimize surface impact. During start of consultation process, Operator gave Land Owner the choice of two alternative surveyed well locations. Land Owner has selected location in east portion of property, but Operator is now insisting on locating well in different location that is approximately 300 feet west of this location. This location is less than 1,000 feet from hospital (veterinary) and house. The proposed access road runs close to the house, the operation will result in permanent crop loss, the operator refuses to agree to authorize Land Owner to perform dust control and tree planting, and the noise and traffic associated with this location will significantly impact and disrupt the animals maintained at the hospital and the home. The permit should be suspended because it fails to properly identify the agreement to allow the landowner to choose between the two well locations, because PDC has not engaged in proper consultation and because the permitting conditions are not sufficient to protect the health, safety and environment concerns.

OTHER NOTIFICATIONS

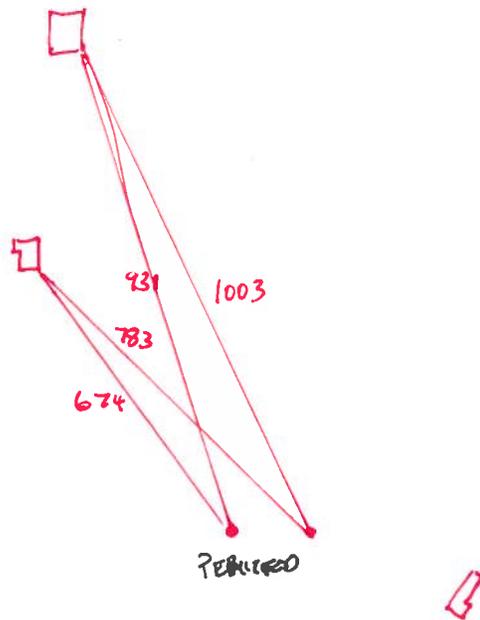
List the parties and agencies notified (County, BLM, EPA, DOT, Local Emergency Planning Coordinator, or other)

Date	Agency	Contact Person	Response

Complaint Tracking Number: _____

Complaint #200369348

Operator has failed to properly consult with Land Owner, to reasonably accommodate Land Owner's needs and to minimize surface impact. During start of consultation process, Operator gave Land Owner the Choice of two alternative surveyed well locations. Land Owner has selected the location in east portion of property but Operator is now insisting on locating well in different location that is approximately 300 feet west of this location. This location is less than 1000 feet from hospital (veterinary) and house, the proposed access road runs close to the house, the operation will result in permanent crop loss, the Operator refuses to agree to authorize Land Owner to perform dust control and tree planting and the noise and traffic associated with this location will significantly impact and disrupt the animals maintained at the hospital and the home. The permit should be suspended because it fails to properly identify the agreement to allow the landowner to choose between the two well locations, because PDC has not engaged in proper consultation and because the permitting conditions are not sufficient to protect the health, safety and environment concerns.



Simmons 42-20

11/8/12 G. DERANLOAN RECEIVES FAX COMPLAINT FROM
Simmons' LAWYER.

11/8/12 G.D. LEAVES MESSAGE FOR JAKE SIMMONS
970-397-9468

11/8/12 G.D. RECEIVES RETURN CALL FROM J. SIMMONS
"NEVER WAS IN AGREEMENT W/ SITE"

PDC WANTS TO DRILL ON PROPERTY

STAKE A & STAKE B

-SPECIAL USE (WORLD CO) FOR VETERINARY HOSPITAL

STAKE B = TOO CLOSE TO VET HOSP.

STAKE A = CLOSER TO ROAD & PREFERRED

LOCATION - ~~STAKE~~

PDC PERMITTED "STAKE B"

PDC HAS PERMIT TO DRILL SIMMONS 42-20

SIMMONS HAS NOT SIGNED A SUA.

J. SIMMONS HAS SPOKEN SEVERAL TIMES W/ STAKE

LINDBLUM - CDGCL

PDC LANDMAN = STEVE TRACY

S. TRACY THREATENED TO BOND ON W/NO SUA.

GN 64W SENE 29

API = 05-123-36054

11/8/12 G. DERANLOAN CONTACTS RANDALL FERGUSSON - PDC

R. FERGUSSON COMMITTED TO PUTTING "IN HOUSE" CONTRACT
ON IT. S. TRACY IS CONTRACT LANDMAN.

G. DERANLOAN SENDS R. FERGUSSON AN E-MAIL W/
INFO & TO CONFIRM CONTRACT.

G. DERANLOAN ENTERS COMPLAINT I.D. # 200369348
- FAILS TO UPLOAD DETAILED DESCRIPTION FROM FAX

Simmons 42-20

11/9/12 G. DORAN LEAN RECEIVES FOLLOW-UP FROM R. FERGUSSON.
(email went to JUNK MAIL)

FORWARDED TO PDC LAND DEPT.

~~11/9~~ or 11/12/12
~~11/12/12~~
G. DORAN LEAN RECEIVES MSG FROM PDC LAND DEPT: ERIC SWENSON
303-831-3917
MESSAGE SAYS:

- HELD A JULY ONSITE, LAND OWNER AGREED TO LOCN.
- LAND OWNER DOES NOT HAVE MUCH STANDING.
- LAND OWNER IS TRYING TO GET MORE MONEY
- ^{PDC} PUSHED BACK DRILLING TO MID DEC. TO TRY TO
~~FOR~~ ACCOMMODATE LAND OWNER CONCERNS.

11/13/12 G. DORAN LEAN & ERIC SWENSON TALK. E. SWENSON SUMMARIZES:

- CONTACTED SIMMONS IN JULY
 - ORIGINAL WINDOW FOR VERTICAL WELL, ALTERNATE
LOCN WOULD REQUIRE DIRECTIONAL.
 - ACCESS ROAD NEVER Δ'D FROM MULTI-WELL, BUT
NOW SHORTER.
 - SUA NEGOTIATIONS HAVE INCLUDED INCREASED
DAMAGES FOR LOCATION W/IN WINDOW, HIRING LAND
OWNER TO DO WORK (ASSUMING REASONABLE BID),
STRAW BALES (BOUGHT FROM OWNER).
 - LAND OWNER ASKING TOO MUCH
- GD REQUESTS PDC TO SUBMIT A TIMELINE OF
CONSULTATION, DEMONSTRATING "GOOD FAITH EFFORTS",
AND ALSO INCLUDE ANY MITIGATION MEASURES
AGREED TO →
- GD STATES THAT BMPs COULD BE MEMORIALIZED
TO THE PERMIT W/ A FORM 4.

Simmons 42-20

11/13/12 GDERANLAW RECEIVES MESSAGE FROM J. SIMMONS
- STATUS OF FORWARD PROGRESS w/ PDC?

11/13/12 GD CONVERSATION w/ J. SIMMONS.

- GD STATES REQUEST FOR BUT NOT YET RECEIVED DOCUMENTS.

- JS STATES NEVER AGREED TO S.D.A.

- LAND MAN THREATENED TO BOND ON.

[SIDE NOTE: LANDOWNER COMPLAINED OF DEMONOR OF LAND MAN. "MADE WIFE FEEL UNCOMFORTABLE." BIG GUY... WIFE DOES NOT LIKE LAND MAN.

GD CONFIRMED NO PHYSICAL THREATS, BUT LAND OWNER ASKED IF PDC COULD USE A DIFFERENT LAND MAN.]

- J.S. STATED THAT HE DOES NOT WANT TO HOLD UP PDC & WANTS THE PROJECT TO MOVE ALONG BUT WANTS MORE DISTANCE FROM HOUSE & VET HOSPITAL

- WANTS THE WELL MOVED EAST.

- GD TALKED ABOUT SETBACKS FROM NEIGHBORS, BUT J.S. SAID PROPERTY IS UNOCCUPIED.

- JS ASKED AGAIN IF PDC COULD USE DIFFERENT LAND MAN.

11/19/12 ~~11/19~~ SIMMONS 42-20

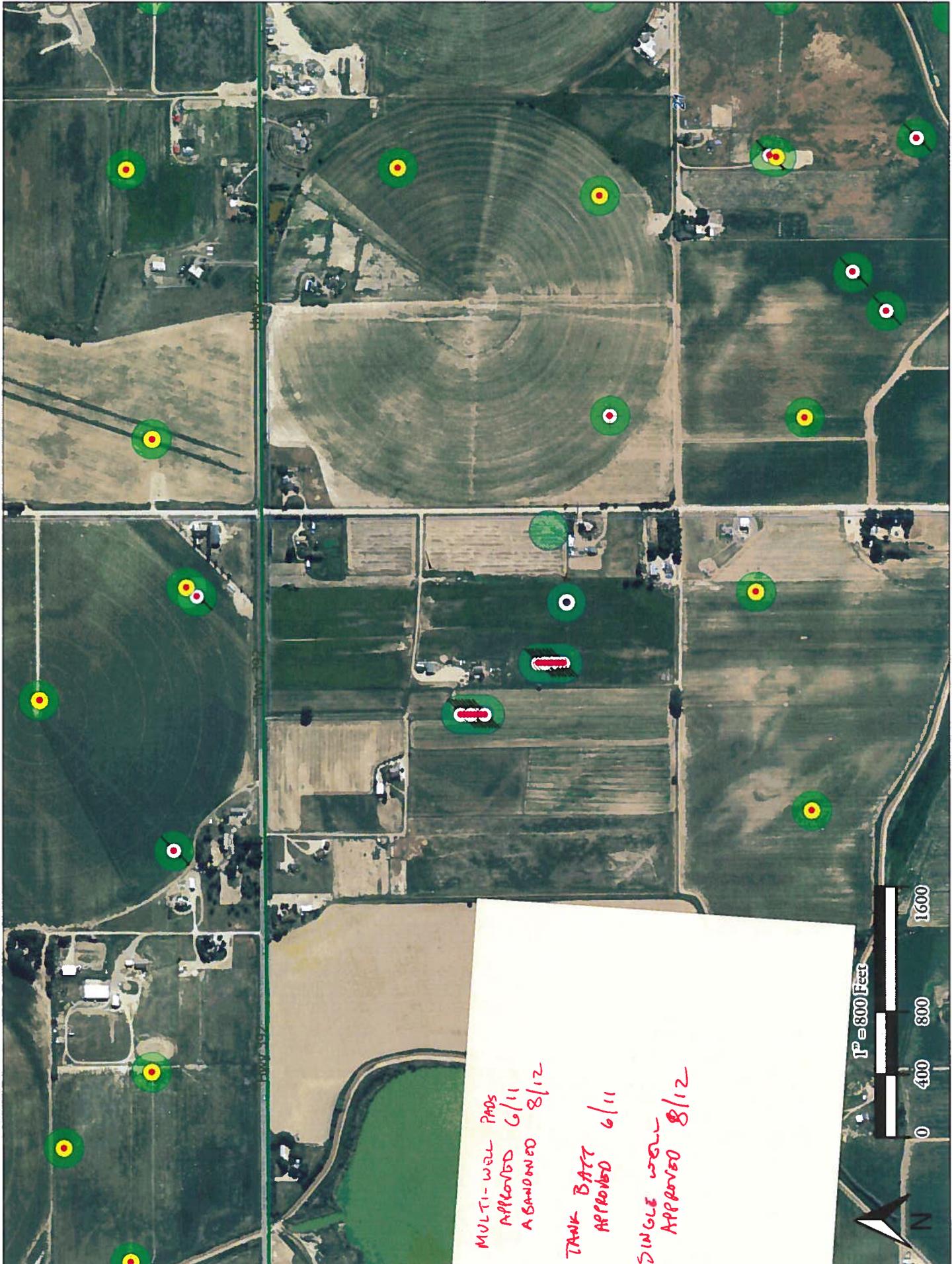
GD DERANDEAU CONTACTS E. SWENSON @ PDC.

- GD EXPRESSED LANDOWNER CONCERN ABOUT LAND MAN
- E.S. SAID HE COULD HAVE "IN HOUSE" STAFF ASSIGNED
- GD ASKED WHETHER A MOVE (S) WOULD BE POSSIBLE.
- E.S. ~~SAID~~ SAID THAT THE HORIZONTALS^(N-S) HAVE BEEN SPOTTED, SO ANY MOVEMENT (E OR W) WOULD REQUIRE DIRECTIONAL DRILLING. BOTTOM HOLE IS NOT FLEXIBLE
 - E.S. DOES NOT BELIEVE LOCATION TO (S) WAS DISCUSSED
- GD EXPLAINS THAT 200' (S) WOULD STILL BE IN DRILLING WINDOW.
- E.S. DOES NOT BELIEVE LOCATION IS ACTUAL ISSUE.
 - WORK WILL TAKE 10 DAYS TO DRILL
 - WILL GRAB & PRODUCE
 - E.S. WILL CHECK W/ FIELD RE: VERTICAL WELL W/ IN WINDOW ~ 200' (S)
 - E.S. WILL TALK W/ GEOLOGY AS WELL
 - GD. WILL WAIT TO HEAR BACK

11/20/12 GD RECEIVES MESSAGE FROM E.S. RE: MOVING WELL (S).

- FIELD IS CONCERNED THAT MOVE > 50' WILL REQUIRE RE-PERMIT VS. SUNDRY.
- PDC DOES NOT HAVE TIME TO RE-OPEN PERMIT ~~AS~~^{PERMIT}
- IF CAN DO W/ SUNDRY PDC WILL PURSUE AS THEY COULD DRILL A VERTICAL HOLE DUE (S) OF PERMITTED STL.
- PDC WAITING W/ GD

AV



MULTI-well PADS
 APPROVED 6/11
 ABANDONED 8/12

TANK BATT
 APPROVED 6/11

SINGLE well
 APPROVED 8/12

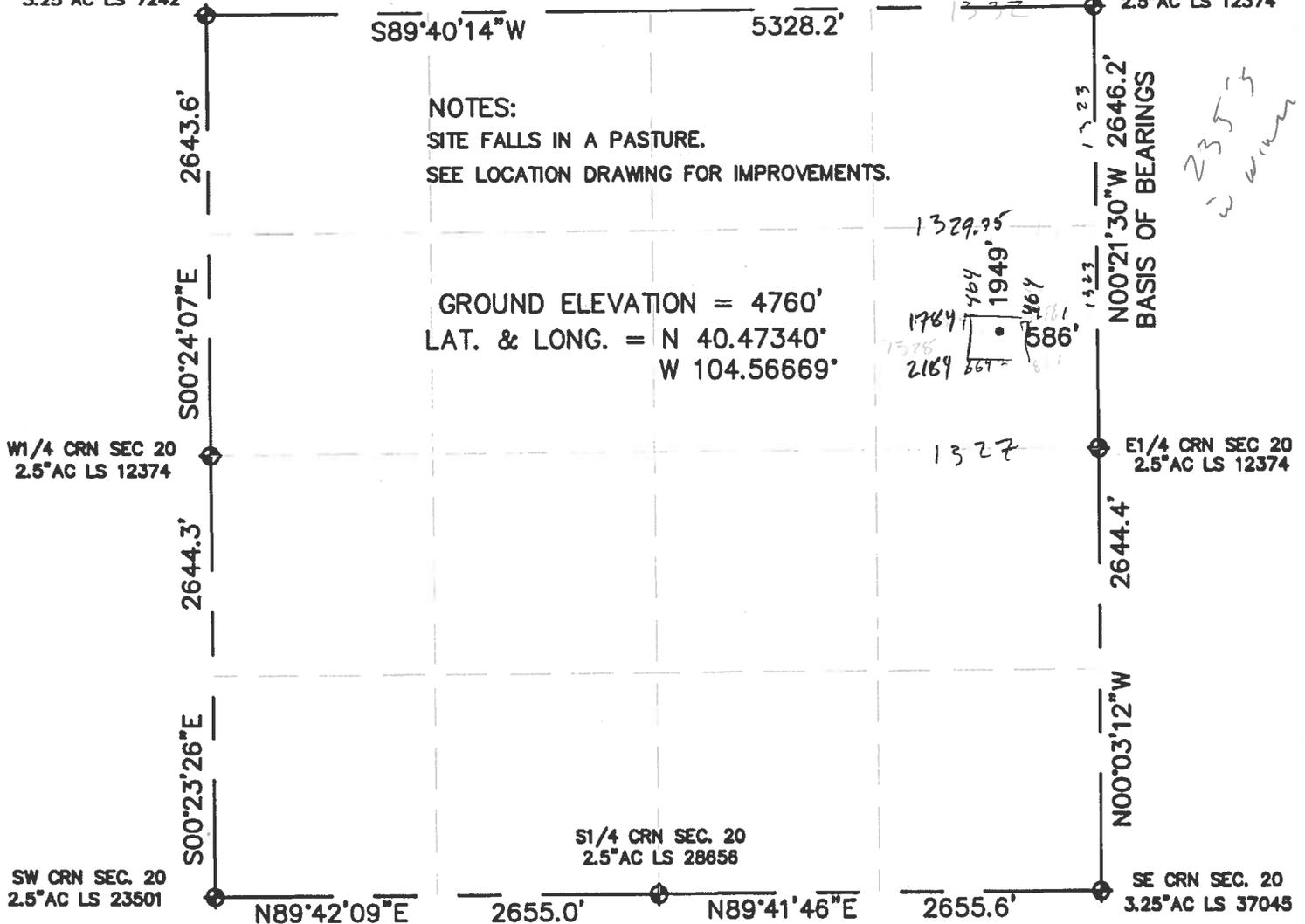


WELL LOCATION CERTIFICATE

NW CRN SEC. 20
3.25°AC LS 7242

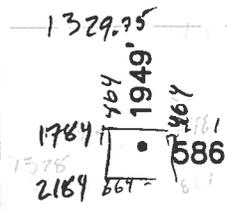
SECTION 20, TOWNSHIP 6 NORTH, RANGE 64 WEST, 6TH P.M.

NE CRN SEC. 20
2.5°AC LS 12374



NOTES:
SITE FALLS IN A PASTURE.
SEE LOCATION DRAWING FOR IMPROVEMENTS.

GROUND ELEVATION = 4760'
LAT. & LONG. = N 40.47340°
W 104.56669°

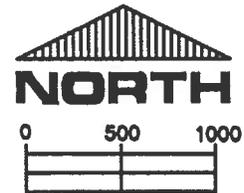


235-13
w/w

I HEREBY STATE TO PDC ENERGY THAT THE SURFACE LOCATION FOR THE WELL SIMMONS 42-20 IS LOCATED 1949' FNL & 586' FEL, SEC. 20, T6N, R64W, 6PM.

LEGEND

- ◆ = FOUND MONUMENT
- = PROPOSED WELL



SCALE 1" = 1000'

ELEVATION SOURCE = USGS 7.5' QUAD.MAP CONTOURS
NGVD 1929 DATUM.

LAT. & LONG. ARE DIFFERENTIALLY CORRECTED (WGS'84)
USING (DGPS) WITH (PDOP) VALUE OF 2.2.

SHOWN DISTANCES ARE FIELD MEASURED - EXTERIOR SECTION LINES
ARE DRAWN TO SCALE (BEST APPROX. OR FOUND MONUMENT ◆).

DISTANCES TO SITE SHOWN PERPENDICULAR
TO SECTION LINES.



THOMAS G. CARLSON, PLS 24657
HORSESHOE SURVEYING, LLC

THIS IS NOT A MONUMENTED BOUNDARY SURVEY, IT IS ONLY A
DRAWING INTENDED TO DEPICT THE SITE LOCATION TO SECTION LINES.

PREPARED BY:	HORSESHOE SURVEYING, LLC PO BOX 150458 LAKEWOOD, CO 80215 (720)872-0196	WELL NAME:	SIMMONS 42-20
DRAWING DATE:		LOCATION:	WELD COUNTY, CO NE1/4, SEC. 20, T6N, R64W, 6TH P.M.
7-20-12			
FIELD DATE:	BY:	CHKD:	JOB NO.
7-20-12	TGC		SHEET NO.
			1 OF 1



Simmons 42-20 Consultation Complaint

Deranleau, Greg <greg.deranleau@state.co.us>

Thu, Nov 8, 2012 at 2:08 PM

To: Randall Ferguson <rferguson@petd.com>

Randall,

Per our telephone conversation today, here is the information regarding the complaint we have received from Mr. Jake Simmons.

The well subject to the complaint is the Simmons 42-20, API #05-123-36054. The APD for the well was approved 8/31/12. No SUA is attached, it appears your plans are to bond on.

The Land Owner has called us and filed a complaint that he does not like the selected location and did not agree to it and was not adequately consulted in the location.

As a bit of background, it appears that PDC had formerly planned an 8 well location on this property with a remote tank battery near the road. COGCC facilitated an onsite consultation with the land owner regarding the proposed locations in 2011. Those APDs have been subsequently abandoned, but the tank battery appears to still be planned.

Attached is the Complaint (#200369348) entered by COGCC and a write up of the fax received from the Complainant (the fax is not legible). An aerial image with wells and locations superimposed from COGCC's online map tool is included below.

Please forward this to the appropriate parties for resolution, and please let me know if you have immediate plans to move onto this location.

Thank you for your help.

—

Greg Deranleau
Oil and Gas Location Supervisor
Colorado Oil and Gas Conservation Commission
303-894-2100 ext. 5153



2 attachments

 **Complaint 200369348.doc**
23K

 **SimmonsForm18.pdf**
14K

Randall Ferguson <Randall.Ferguson@pdce.com>

Fri, Nov 9, 2012 at 10:37 AM

To: "Deranleau, Greg" <greg.deranleau@state.co.us>

Cc: Carrie Ratliff <Carrie.Ratliff@pdce.com>, "Eric G. Swenson" <Eric.Swenson@pdce.com>

Greg:

Sorry I didn't get to this until today but your e-mail from yesterday went to Junk mail!

I have forwarded your e-mail to the land department for further handling. They are also copied on this e-mail. I have checked the most recent drilling schedule and it appears that the Simmons 42-20 is not scheduled for drilling in the immediate future.

Thanks for your assistance in this matter.



Randall H. Ferguson

Environmental Compliance Specialist

PDC Energy, Inc.

1775 Sherman St., Ste. 3000

Denver, CO 80203

Please Note Email Address Change!

randall.ferguson@pdce.com

Main: (303)860-5800

Office: (303)831-3904

Cell: (303)570-8575

From: Deranleau, Greg [mailto:greg.deranleau@state.co.us]

Sent: Thursday, November 08, 2012 2:09 PM

To: Randall Ferguson

Subject: Simmons 42-20 Consultation Complaint

[Quoted text hidden]

Deranleau, Greg <greg.deranleau@state.co.us>

Fri, Nov 9, 2012 at 12:28 PM

To: Randall Ferguson <Randall.Ferguson@pdce.com>

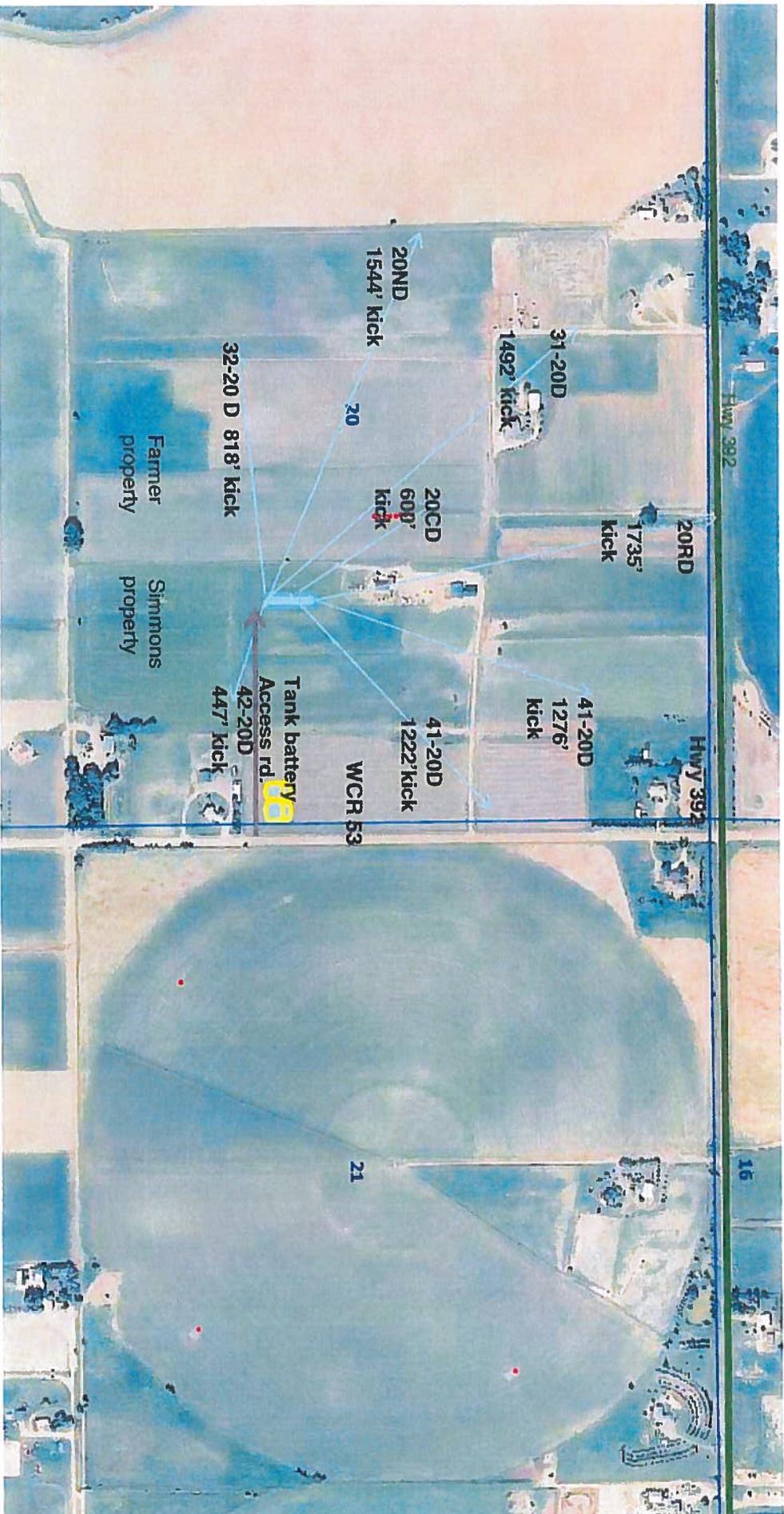
Cc: Carrie Ratliff <Carrie.Ratliff@pdce.com>, "Eric G. Swenson" <Eric.Swenson@pdce.com>

Thank you, Randall. I look forward to hearing from your land department and am happy to answer any questions that I can.

Regards,
Greg

[Quoted text hidden]

Exhibit "B" Original 8 Well Plan





Corporate Office
1775 Sherman Street, #3000
Denver, Colorado 80203
303 860.5800
www.petd.com

November 13, 2012

Via Electronic Mail

Mr. Greg Deranleau
Greg.deranleau@state.co.us
Oil & Gas Location Supervisor
Colorado Oil & Gas Conservation Commission

RE: Complaint #200369348

Dear Mr. Deranleau,

On November 12, 2012, PDC Energy, Inc. ("PDC") received notice of a Consultation Complaint for the development of the Simmons 42-20 filed by Mr. Simmons. Per our telephone conversation, I have provided a timeline of the negotiations regarding the surface use for purposes of drilling the Simmons 42-20.

1. In November, 2010, PDC staked an eight well plan (Exhibit "B"), which Mr. Simmons approved of and signed a waiver. In Mid-2011, PDC decided to abandon the eight well plan to begin looking at horizontal development. PDC decided to drill one vertical well in order to evaluate future horizontal development.
2. June, 2012, PDC sent Jake Simmons and Wendy Simmons a Notice regarding the plans to abandon the eight well plan and moving to one well. Steve Tracy met with Mr. and Ms. Simmons to discuss the Surface Location for the vertical well. PDC requested a Surface Location in the SE/4NE/4 within the Legal Drilling Window to drill the vertical well which was further away than the original 8 well pad. Mr. Simmons, at that time, asked about a Location out of the window. Steve told Mr. Simmons we would look at it with the Surveyor and talk with PDC management.
3. On July 20, 2012, Steve Tracy met with Mr. Simmons and Tom Carlson (the surveyor) on the property and surveyed the spot outside the Legal Drilling Window. At that time PDC asked if he would be willing to allow PDC to put the surface location within the Legal Window if we increased the Surface Damage Compensation. Mr. Simmons agreed with the new Surface Location inside Legal Window. PDC proceeded to survey the Surface Location within the Legal Window and Permit the well.
4. In October, 2012, PDC pursued a Surface Damage Agreement ("SDA") with Mr. and Ms. Simmons to drill the Simmons 42-20 estimated to spud in November, 2012. Jake and Wendy Simmons had some concerns regarding the proximity to the Vet Clinic. They called the COGCC and told them we were rushing them. Steve Tracy talked with Steve Lindblum of the COGCC about the matter. Steve addressed the situation again with Jake Simmons. Steve dropped off the proposed SDA at the Vet Clinic for Wendy Simmons to review. Jake Simmons expressed the desire for some work for the development of the well. Steve asked them to put their concerns in Writing and submit them to PDC. Jake Simmons then hired an attorney, Tom Kimmel, to review the SDA form and continue negotiations.
5. On October 26, 2012, Steve sent Tom Kimmel our SDA proposal via email, and an update and short history. Steve asked Mr. Kimmel for any changes that they requested to be submitted to PDC. PDC agreed to include work in the SDA for Mr. Simmons. Jake also asked that we pay for his cattle displacement at a rate of \$20 per head per day. That cost is completely out of the market, Cattle rent is \$20 per head per month. PDC would commit to giving Jake any more than the Reclamation and Hay Bale Sound Barrier at this time. PDC implemented this work in the SDA and forwarded to Mr. Kimmel. PDC also agreed in the SDA to completely fence out our operations to limit any inconvenience for Mr. Simmons.

6. PDC hasn't received any proposed changes from Mr. Kimmel since then. PDC has moved the estimated Spud date to December 15, 2012 to accommodate additional negotiations. Steve received a call from Mr. Kimmell saying that Jake Simmons was not happy with the SDA proposal and was going to file a complaint about consultation.

Per Landowner Consultation, PDC has agreed upon the following measures to accommodate Mr. Simmons concerns:

1. The new Surface Location was moved from the original 8 well pad further away from the house and Vet Clinic (See Exhibits "A" & "B")
2. Agreed to increase the Surface Damages Compensation on a per well basis.
- Bmp 3. Agreed to not drill during March, April, or May around the Vet Clinic
- Bmp 4. Put Hay Bales as a burn on the North side of our Surface Location during Drilling and Fracing Operations for sound mitigation
5. PDC will offer the reclamation seeding to Jake Simmons thru Bulldog Landscaping subject to Mr. Simmons submittal of a competitive bid, and PDC approval of the plan.
6. PDC will offer Jake Simmons thru Bulldog Landscaping the installation of the Burm and Hay Bales at a rate of \$65.00 per Bale.
- Bmp 7. PDC will cattle fence out their operations with a 3 or 4 wire fence barbed or smooth wire, whichever Mr. Simmons prefers.
- Bmp 8. PDC will install a Cattle Guard and Gates at the Entry for permanent use. — ASSUME ENTRY END OF ACCESS RD.

PDC Energy, Inc. has shown proper consultation and has gone above and beyond to accommodate Mr. Simmons concerns regarding the development on their property. PDC requests the COGCC close the Consultation Complaint filed by Mr. Simmons. If you have any additional questions or concerns regarding this letter, please contact me at 303-831-3917.

Thank you,

PDC ENERGY, INC.



Eric Swenson
Regional Landman
Eric.Swenson@pdce.com

11/19/12

200' (beam based)

LOCAL
EXCEPTIONS
WINDMILLS
FIELD

PROP. CENTER

PL 150' FFL

APPROX
WINDOW

0 100 200
APPROX
SCALE





Starman

Gavette

HWY 392

HWY 392

Muse

Schaffner

Erbes

Farmer

Farmer

Simmons

Erbes

Hayenga

Franklin

Speicher

FOE Front Range Farms