



COGCC Rule 502.b
Variance Request for
1001.c Surface Owner Waiver

Well Name: Succo Gas Unit GU 4,43-20

API #: 05-123-14423 Location ID: 327274

Tank Battery Facility ID: 452625

Prepared for:
PDC Energy Inc.

Prepared by:
Duraroot, LLC

Date:
April 2019



April 22 2019

Director Jeff Robbins
Colorado Oil and Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, CO 80203

RE: COGCC Rule 502.b Variance Request for 1001.c Surface Owner Waiver
Well Name: Succo Gas Unit 4-20 API #: 05-123-14423 Location ID: 327274
Tank Battery: Succo GU 4, 43-20 Battery Tank Battery Facility ID: 452625
Section 20: NWSE, Township 2 North, Range 66 West, 6th P.M.
Weld County, Colorado

Dear Director Robbins,

PDC Energy, Inc. (PDC) has obtained a Surface Owner Waiver under Rule 1001.c for final reclamation of the former Succo Gas Unit 4-20. PDC has plugged and abandoned (P&A) the wellhead and reclaimed the well pad in accordance with the requirements of Rule 1004.a. Furthermore, in accordance with the surface owner's request (see Attachment A), PDC has left two access roads, the former tank battery pad, and a cattle guard in place.

Due to the surface owner's final reclamation requests of the location, we are requesting your approval for a variance from the requirements of Rule 1004.a and Rule 1004.e pursuant to Rule 1001.c. The documents attached to this letter for the former Succo Gas Unit 4-20 well location were developed in accordance with the December 17, 2015, version of the COGCC Rule 1001.c: Reclamation Variances and Waivers guidance document (Guidance Document).

Attachment A: Executed Final Reclamation Agreement

Attachment A is a signed and executed agreement that PDC has entered with the surface owner (Mr. Gary Hladky) regarding the location's final reclamation efforts and the request to leave the following in place:

- Succo GU 4, 43-20 former tank battery pad and access road,
- Pre-existing driveway, and
- Water well access road and cattle guard.

Attachment A, along with Exhibit A, fulfills the five (5) requirements listed in Section I of the Guidance Document.

Attachment B: Operator Demonstration

Attachment B, along with all figures and Exhibits A and B, fulfills the eight (8) requirements of Section II.B in the Guidance Document to waive compliance with specified provisions of Rule 1004, via a Variance. Attachment B contains the required supporting documentation to demonstrate that granting this final reclamation variance for applicable requirements of Rule

1004 will not negatively impact public health, public safety, public welfare, the environment, or wildlife.

PDC has made a good faith effort to provide the necessary information and evidence requested in the December 17, 2015, version of the COGCC Rule 1001.c: Reclamation Variances and Waivers guidance document for the Director to evaluate our request for waiving specified provisions of Rule 1004 to fulfill the surface owner's request for final reclamation.

If you have any questions or concerns about PDC's variance request, please do not hesitate to contact me.

Sincerely,



Phillip Porter, CHMM
EHS Compliance Specialist
PDC Energy, Inc.

Attachments:

Attachment A: Executed Final Reclamation Agreement

Attachment B: Operator Demonstration

Exhibit A: Facility Photos and Aerial Imagery

Exhibit B: Approved Well Abandonment - Subsequent Form 6

Attachment A:
Executed Final Reclamation Agreement



District Office
4000 Burlington Avenue
Evans, CO 80620
970-506-9272
www.pdce.com

March 1, 2019

Gary and Julie Hladky
13608 CR 18 1/2
Fort Lupton, CO 80621

Re: **Final Reclamation Agreement**
API -- 05-123-14423 Well Name -- Succo Gas Unit 4-20
Township 02 North, Range 66 West, 6th P.M.
Section 20: NWSE
Weld County, Colorado

Dear Mr. Hladky (the "Surface Owner"):

PDC Energy, Inc. ("PDC") has previously consulted with you concerning the final reclamation of the above-captioned well(s) in accordance with your direction concerning future use of the land and applicable rules of the Colorado Oil and Gas Conservation Commission ("COGCC"). The well was plugged and abandoned and PDC has removed all associated well and production facility equipment from the sites(s). Pursuant to COGCC Rule 1001.c, PDC and the Surface Owner, agree to enter into this Final Reclamation Agreement in order to set forth the respective rights and responsibilities of the parties, and to seek COGCC's waiver of compliance with certain 1000-series rules.

The specific portion of the oil and gas location, see attached photographs labeled as Exhibit A (the "Location") subject to this Final Reclamation Agreement and waiver include:

- Western access road with cattle guard, south to irrigation water well.
- Section of access road east of property owner's house that goes into former production facility.
- Former production facility location.

The reasons for Surface Owner entering into this Final Reclamation Agreement and thereby waiving PDC's obligations for additional reclamation required under COGCC Rule 1004 at the Location include:

- The access road on the western property line is used to access a water well used for irrigation of the fields.
- The access road east of the house is used to access the pond on the property as well as the former production facility.
- The former production facility location is going to be used for farm equipment storage.

As the Surface Owner, you acknowledge that the current condition of the property subject to this Final Reclamation Agreement is satisfactory to you. If applicable, you acknowledge responsibility of topsoil protection. Additionally, by executing this letter below, as the Surface Owner, you also acknowledge that you knowingly, and forever, waive all reclamation protections otherwise afforded by COGCC Rule 1004

and that you will assume responsibility for any further reclamation activities you wish to have undertaken at these sites. Provided however, PDC must comply with all final reclamation requirements under the Rule 1000-series that may not be waived by Surface Owner including COGCC Rule 1004.c.(4-5).

If this Final Reclamation Agreement correctly reflects your agreement, please sign, date, and have your signature notarized on both originals of this letter, keep one for your files and return one to the undersigned.

Please be aware that although you have signed this Final Reclamation Agreement and PDC subsequently submits a reclamation variance request, the COGCC may deny such request and PDC will then be required to complete all final reclamation in accordance with the COGCC 1000 Series rules. PDC is responsible for surface stabilization, stormwater management, and weed control until the variance request is approved.

Thank you for your time and consideration in this matter. If you have any questions or comments, please contact me at (970) 371-4190.

Respectfully,



Barney Hammond
Surface Landman

I acknowledge and agree as set forth above.

Gary Hladky (SURFACE OWNER)

Signed: 
Gary Hladky

Date: 3/1/19

ACKNOWLEDGEMENTS

State of Colorado)
) §
County of Weld)

On this 1 day of March, 2019, before me personally appeared Gary Hladky, known to me to be the persons described in and who executed the foregoing instrument, and who acknowledged to me that they executed the same.

(SEAL)

SEAN ELLIS WESTON
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20184034501
MY COMMISSION EXPIRES AUGUST 29, 2022

My commission expires: August 29, 2022


Notary Public

Attachment B:
Operator Demonstration

Attachment B



April 22, 2019

RE: Operator Demonstration for:

**Former Succo Gas Unit 4-20 Well and Succo GU 4, 43-20 Tank Battery
API #: 05-123-14423 Location ID: 327274 Tank Battery Facility ID: 452625
Section 20: NWSE, Township 2 North, Range 66 West, 6th P.M.
Weld County, Colorado**

The information below addresses the requirements detailed in Section II.B of the Colorado Oil and Gas Conservation Commission's (COGCC) Rule 1001.c: Reclamation Variances and Waivers guidance document (Guidance Document) dated December 17, 2015. Section II.B of the Guidance Document outlines the evaluation of whether public health, safety, and welfare are protected and how significant adverse environmental impacts are prevented if specified provisions of Rule 1004 are waived, via a Variance.

Section II.B.1 – Evidence that all wells on the location have been Plugged and Abandoned (P&A) and that a Form 6 subsequent was submitted for each well.

PDC Energy, Inc. (PDC) certifies that the former Succo Gas Unit 4-20 (Location ID: 327274) well has been P&A as per the COGCC Rules and the Form 6 Subsequent has been submitted and approved (Exhibit B: Document Number 401475130).

Section II.B.2 – Evidence that all oil and gas equipment has been removed, including flowline and gathering risers.

PDC certifies that all oil and gas equipment, including flowline and gathering risers, has been removed from the location where the final reclamation variance is being requested. Exhibit A consists of facility photos taken on March 12, 2019, that demonstrate all equipment has been removed.

Section II.B.3 – Evidence that all trash and debris belonging to the operator or its agents has been removed.

PDC certifies that all trash and debris belonging to PDC or any of our contractors or agents has been removed from the location where the final reclamation variance is being requested. Exhibit A consists of facility photos taken on March 12, 2019, that demonstrate all trash and debris has been removed.

Section II.B.4 – Evidence that noxious weeds have been controlled as required by Rule 1004.

PDC certifies that noxious weeds have been controlled and/or removed from the location and will be managed by PDC until approval of this final reclamation variance. Exhibit A consists of facility photos taken on March 12, 2019, that demonstrate noxious weed control on the location.

Section II.B.5 – Documentation of Good Faith Surface Owner Consultation regarding final reclamation pursuant to Rule 306.f.

Attachment A, accompanied by Exhibit A, provides the “Final Reclamation Agreement” provided to and signed by the surface owner (Mr. Gary Hladky) on March 1, 2019, for the former Succo Gas Unit 4-20 wellhead and tank battery documenting good faith consultation with the surface owner.

Section II.B.6 – Documentation of existing state of reclamation.

PDC certifies that the location has been reclaimed in accordance with the request of the surface owner (see Attachment A). The surface owner requested that PDC not remove/ reclaim the following:

- Succo GU 4, 43-20 former tank battery pad and access road
- Pre-existing driveway
- Water well access road and cattle guard.

All associated well and tank battery equipment has been removed. Exhibit A consists of facility photos taken on March 12, 2019, that demonstrate the existing state of reclamation on the former Succo Gas Unit 4-20 wellhead and tank battery.

The driveway that leads to the facility access road pre-exists oil and gas operations on the property. The surface owner has requested to maintain the tank battery pad and associated access road for equipment storage. In addition, the surface owner has requested to maintain the western most access road with associated cattle guard that provides access to an irrigation water well. All other disturbances have been reclaimed.

Section II.B.7 – Evidence that site is stabilized and stormwater management is adequate pending COGCC’s final sign-off reclamation inspection.

The former Succo Gas Unit 4-20 well has been P&A and reclaimed in accordance with Rule 1004. The former Succo GU 4, 43-20 tank battery is located approximately 0.25 mile south of Weld County Road 18 ½ and approximately 0.66 mile east of Highway 85. The facility is surrounded by agricultural land and the surface owner would like to use the pad as a staging area for agricultural equipment. The pad surface is compacted and covered with road base gravel for stabilization. The access road surface is compacted and covered with road base gravel for stabilization as well.

PDC will maintain the location to ensure proper stabilization and stormwater management until this variance is approved and all conditions of approval are fulfilled. Exhibit A consists of facility photos taken on March 12, 2019, that demonstrate current site conditions, including adequate site stabilization and stormwater management.

Section II.B.8 – Operator analysis of protection of public health, safety, and welfare; and prevention of significant adverse environmental impacts.

PDC has evaluated potential impacts to public health, safety, and welfare as well as potential significant adverse environmental impacts to this final reclamation variance to Rule 1004 [except Rules 1004.c.(4) and 1004.c.(5)]. Based on the explanation below, PDC has determined that a variance from the applicable requirements of Rule 1004 for the former Succo GU 4, 43-20

tank battery (Location ID: 452625) and access road would have NO NEGATIVE IMPACTS on public health, public safety, public welfare, environment, or wildlife.

Public Health Analysis

The specified final reclamation variance request from Rule 1004 is minor and with COGCC approval will maintain protection of public health. The location is on private property and, according to the "Surface Owners" COGCC GIS mapping layer, does not require any consultations with the Colorado Department of Public Health and Environment (CDPHE) or Colorado's Division of Water Resources (DWR).

Public Safety Analysis

The specified final reclamation variance request from Rule 1004 is minor and will maintain protection of public safety. The location is surrounded by rural residential and agricultural land. The former access road has a small surface imprint of approximately 630 feet on private property. The former tank battery has a small surface imprint of approximately 0.30 acre on private property. The driveway was pre-existing to oil and gas operations and will remain for the surface owner's use. The western most access road has a small surface imprint of approximately 888 feet on private property.

The former Succo GU 4, 43-20 tank battery is located approximately 0.25 mile south of Weld County Road 18 ½ and approximately 0.66 mile east of Highway 85. The tank battery has been decommissioned and all equipment removed. The surface is stabilized with compaction and gravel. The former Succo Gas Unit 4-20 wellhead has been P&A and reclaimed (see Exhibits A and B).

Public Welfare Analysis

The specified final reclamation variances requested from Rule 1004 are minor requests that maintain the protection of public welfare. The location is on private property and will be returned to agricultural use by the surface owner. The location is zoned "Agricultural" by Weld County and the surface owner's desired use of the land is consistent with Weld County land use zoning standards.

Environment

The former Succo Gas Unit 4-20 location does not fall within a Rule 317B Public Water System Protection area, according to the COGCC GIS “PWS 317B” mapping layer. The former Succo Gas Unit 4-20 location is approximately 2,162 feet from the nearest surface water according to several COGCC GIS “Water Resources” mapping layers (Figure 1).

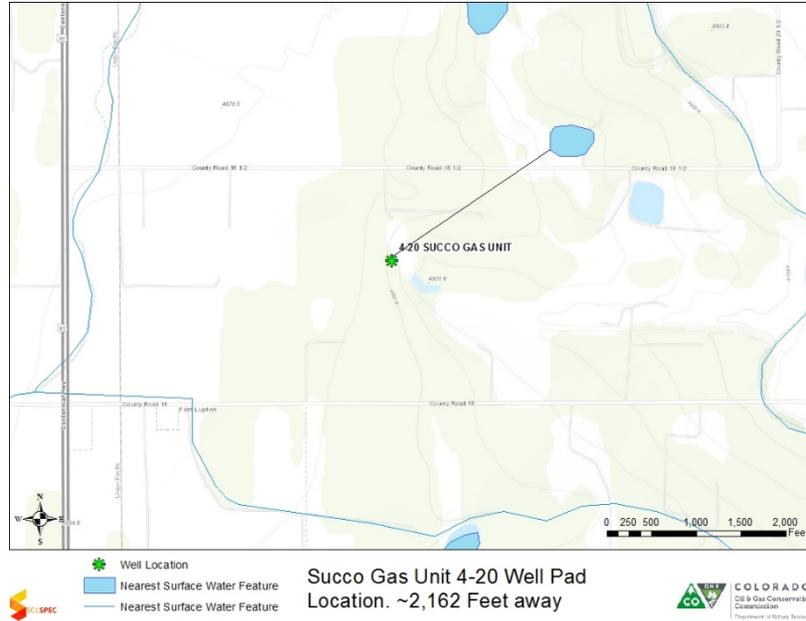


Figure 1. Distance to nearest surface water feature for the former Succo Gas Unit 4-20 wellhead and tank battery.

The former Succo Gas Unit 4-20 location does not fall within a defined FEMA, State, or Weld County 100-Year Floodplain, according to COGCC GIS “Floodplain” mapping layers and Weld County Floodplain data (Figure 2).

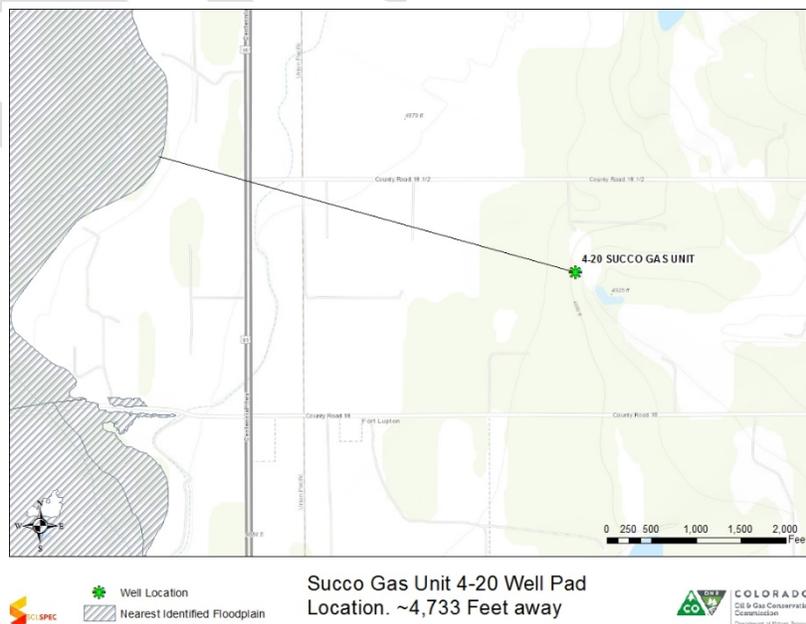


Figure 2. Distance to nearest 100-Year Floodplain for the former Succo Gas Unit 4-20 wellhead and tank battery.

The former Succo Gas Unit 4-20 location is approximately 321 feet southeast of the nearest groundwater well, according to COGCC GIS “DWR_Wells” mapping layer, which is based on Colorado’s DWR information (Figure 3).

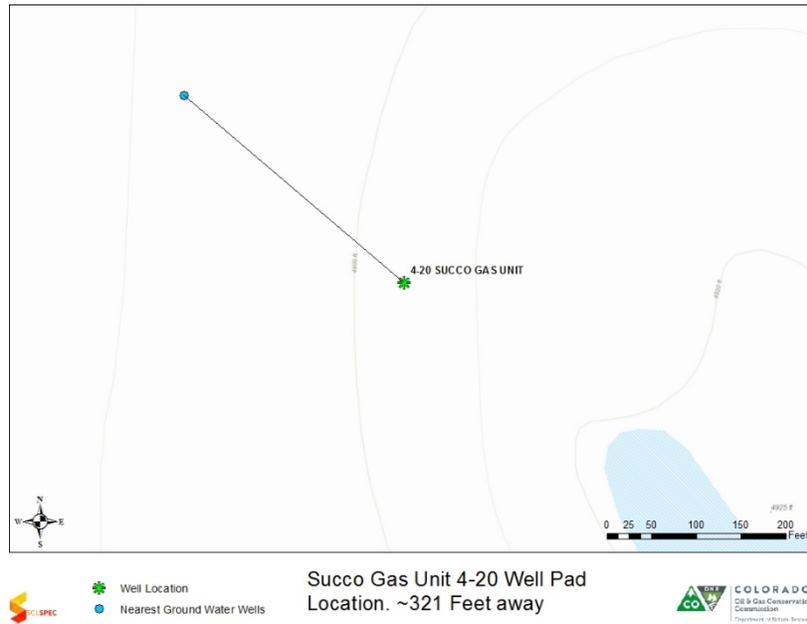


Figure 3. Distance to nearest groundwater well for the former Succo Gas Unit 4-20 wellhead and tank battery.

Wildlife

The former Succo Gas Unit 4-20 location is not located within a defined “Restricted Surface Occupancy” (RSO) or “Sensitive Wildlife Habitat” (SWH) area as identified in the COGCC GIS “CPW_RSO” and “CPW_SWH” mapping layers (Figure 4). The nearest defined SWH area is approximately 9,460 feet to the northwest.

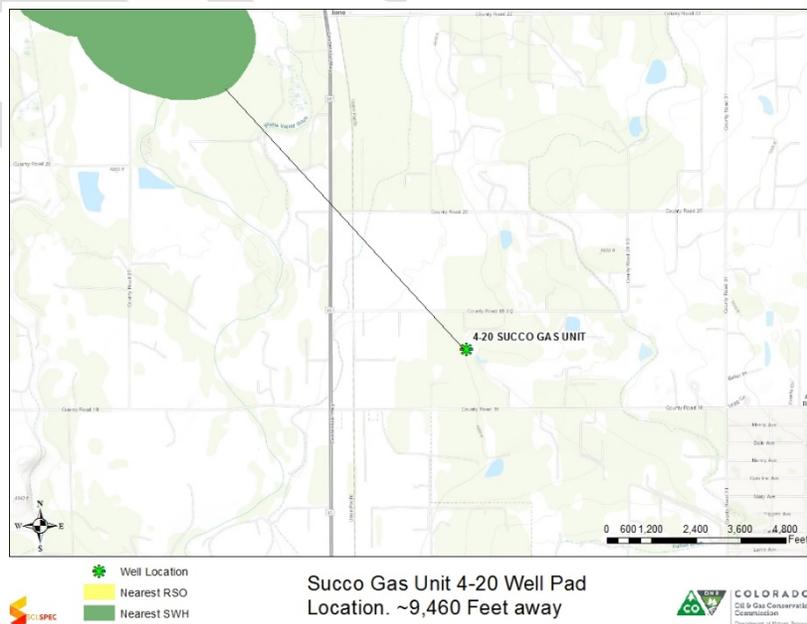


Figure 4. Distance to nearest Restricted Surface Occupancy (RSO) or Sensitive Wildlife Habitat (SWH) for the former Succo Gas Unit 4-20 wellhead and tank battery.

Based on this evaluation it has been established that:

- given the small size of the location;
- the nature of the variance;
- the surface owner's plans for the location; and
- the fact that the location is on private property;

Granting this final reclamation variance for the former Succo Gas Unit 4-20 location (Location ID: 327274) would have NO NEGATIVE IMPACTS on public health, public safety, public welfare, environment, or wildlife.

DRAFT

Exhibit A:
Facility Photos and Aerial Imagery

Exhibit A: FACILITY PHOTOS

PREPARED FOR: PDC ENERGY INC.



Facility:

Facility Type:

Legal Description:

Date of Assessment:

COGCC Location ID#:

County:

Date Prepared:

Exhibit A: FACILITY PHOTOS

PREPARED FOR: PDC ENERGY INC.



Facility:

Facility Type:

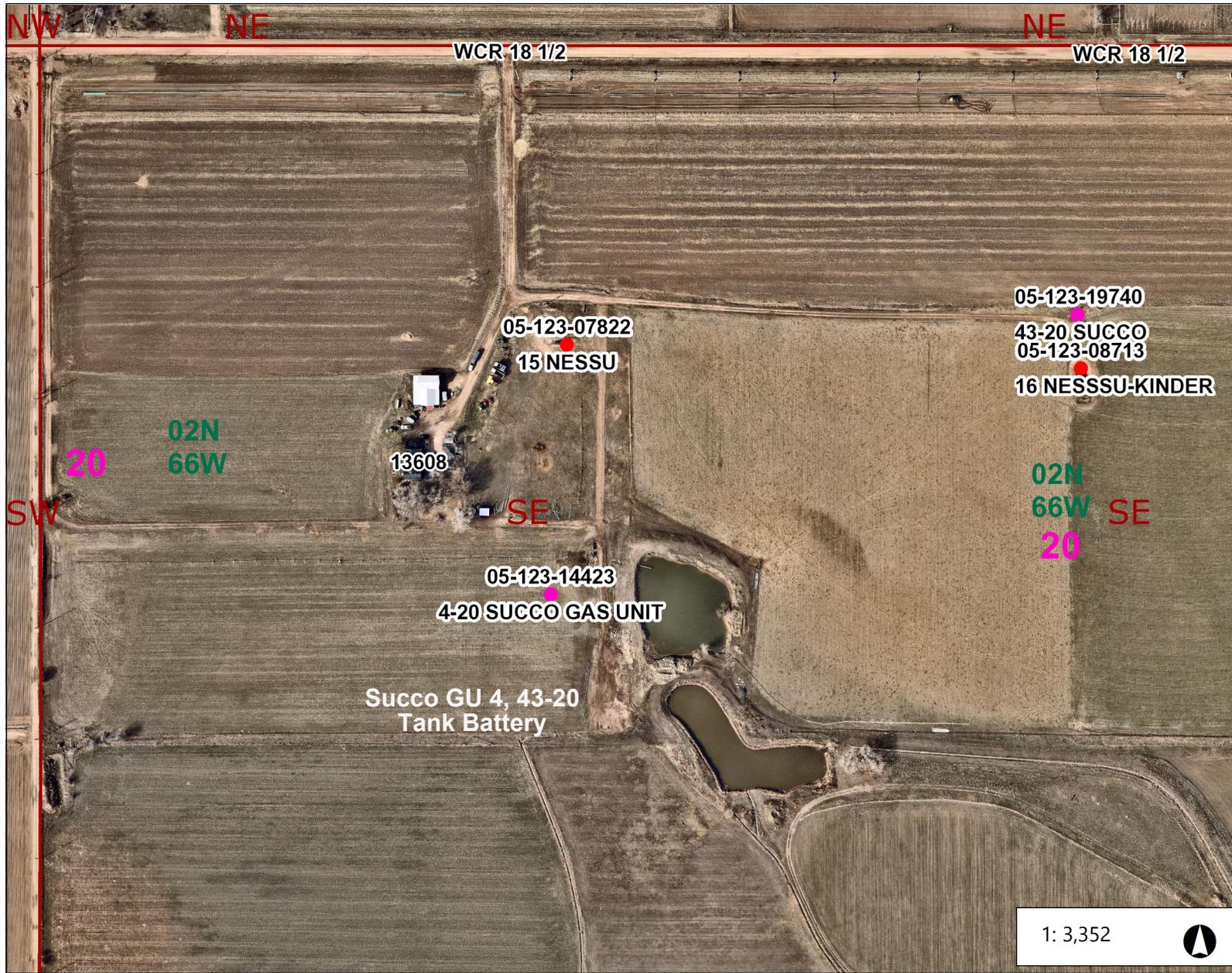
Legal Description:

Date of Assessment:

COGCC Location ID#:

County:

Date Prepared:



Legend

- API Label
- Well Name Label
- COGCC Oil and Gas Wells
 - Producing
 - Abandoned Location
 - Plugged and Abandoned
 - Permit
 - Dry and Abandoned
 - Drilling
 - Shut-In
 - Injection
 - Waiting on Completion
 - Temporarily Abandoned
 - Active Well
 - Other
- Highway
- Township / Range
- Section
- Quarter Section
- County Boundary

1: 3,352



558.7 0 279.33 558.7 Feet



Exhibit B:

Approved Well Abandonment – Subsequent Form 6

Document Number:
401475130

Date Received:
12/04/2017

WELL ABANDONMENT REPORT

This form is to be submitted as an Intent to Abandon whenever an abandonment is planned on a borehole. After the abandonment is complete, this form shall again be submitted as a Subsequent Report of the actual work completed. The approved intent shall be valid for six months after the approval date, after that period, a new intent will be required. Attachments required with the Intent to Abandon are wellbore diagrams of the current configuration and the proposed configuration with plugs set.

A Subsequent Report of Abandonment shall indicate the actual work completed. Attachments required with a Subsequent Report are a wellbore diagram showing plugs that were set and casing remaining in the hole, the job summaries from all plugging contractors used, including wireline and cementing (third party verification) and any logs that may have been run during abandonment.

OGCC Operator Number: 69175 Contact Name: Jenifer Hakkarinen

Name of Operator: PDC ENERGY INC Phone: (303) 8605800

Address: 1775 SHERMAN STREET - STE 3000 Fax: _____

City: DENVER State: CO Zip: 80203 Email: Jenifer.Hakkarinen@pdce.com

For "Intent" 24 hour notice required, Name: _____ Tel: _____

COGCC contact: Email: _____

API Number 05-123-14423-00

Well Name: SUCCO GAS UNIT Well Number: 4-20

Location: QtrQtr: NWSE Section: 20 Township: 2N Range: 66W Meridian: 6

County: WELD Federal, Indian or State Lease Number: CO054076

Field Name: WATTENBERG Field Number: 90750

Notice of Intent to Abandon Subsequent Report of Abandonment

Only Complete the Following Background Information for Intent to Abandon

Latitude: 40.120753 Longitude: -104.797676

GPS Data:
Date of Measurement: 06/24/2010 PDOP Reading: 2.6 GPS Instrument Operator's Name: Shantell Kling

Reason for Abandonment: Dry Production Sub-economic Mechanical Problems
 Other _____

Casing to be pulled: Yes No Estimated Depth: _____

Fish in Hole: Yes No If yes, explain details below

Wellbore has Uncemented Casing leaks: Yes No If yes, explain details below

Details: _____

Current and Previously Abandoned Zones

Formation	Perf. Top	Perf. Btm	Abandoned Date	Method of Isolation	Plug Depth
J SAND	7844	7892	11/03/2017	B PLUG CEMENT TOP	7795

Total: 1 zone(s)

Casing History

Casing Type	Size of Hole	Size of Casing	Weight Per Foot	Setting Depth	Sacks Cement	Cement Bot	Cement Top	Status
SURF	12+1/4	8+5/8	24	748	450	748	0	VISU
1ST	7+7/8	5+1/2	15.5	8,003	260	8,003	6,420	CBL

Plugging Procedure for Intent and Subsequent Report

CIBP #1: Depth 7795 with 2 sacks cmt on top. CIBP #2: Depth 7065 with 2 sacks cmt on top.
 CIBP #3: Depth _____ with _____ sacks cmt on top. CIBP #4: Depth _____ with _____ sacks cmt on top.
 CIBP #5: Depth _____ with _____ sacks cmt on top.

NOTE: Two(2) sacks cement required on all CIBPs.

Set <u>103</u> sks cmt from <u>4702</u> ft. to <u>4408</u> ft.	Plug Type: <u>CASING</u>	Plug Tagged: <input type="checkbox"/>
Set <u>413</u> sks cmt from <u>1073</u> ft. to <u>0</u> ft.	Plug Type: <u>STUB PLUG</u>	Plug Tagged: <input type="checkbox"/>
Set _____ sks cmt from _____ ft. to _____ ft.	Plug Type: _____	Plug Tagged: <input type="checkbox"/>
Set _____ sks cmt from _____ ft. to _____ ft.	Plug Type: _____	Plug Tagged: <input type="checkbox"/>
Set _____ sks cmt from _____ ft. to _____ ft.	Plug Type: _____	Plug Tagged: <input type="checkbox"/>

Perforate and squeeze at 4500 ft. with 55 sacks. Leave at least 100 ft. in casing 4415 CICR Depth
 Perforate and squeeze at _____ ft. with _____ sacks. Leave at least 100 ft. in casing _____ CICR Depth
 Perforate and squeeze at _____ ft. with _____ sacks. Leave at least 100 ft. in casing _____ CICR Depth
(Cast Iron Cement Retainer Depth)

Set _____ sacks half in. half out surface casing from _____ ft. to _____ ft. Plug Tagged:
 Set _____ sacks at surface
 Cut four feet below ground level, weld on plate Above Ground Dry-Hole Marker: Yes No
 Set _____ sacks in rat hole Set _____ sacks in mouse hole

Additional Plugging Information for Subsequent Report Only

Casing Recovered: 975 ft. 5+1/2 inch casing Plugging Date: 11/03/2017
 of _____
 *Wireline Contractor: _____ *Cementing Contractor: _____
 Type of Cement and Additives Used: 15.8 PPG CL G NEAT
 Flowline/Pipeline has been abandoned per Rule 1103 Yes No *ATTACH JOB SUMMARY

Technical Detail/Comments:

Succo Gas Unit 4-20 (05-123-14423)/Plugging Procedure
 Producing Formation (Perforations): J-Sand: 7844'-7892'
 TD: 8000' PBD: 7965'
 Surface Casing: 8 5/8" 24# @ 748' w/ 450 sxs
 Production Casing: 5 1/2" 15.5# @ 8000' w/ 260 sxs cmt (TOC @ 6420' - CBL).
 Tubing: 2 3/8" tubing set @ 7817' (12/28/2008).
 Procedure:
 1. MIRU pulling unit. Pull 2 3/8" tubing.
 2. RU wireline company.
 3. TIH with CIBP. Set BP at 7795'. Top with 2 sxs 15.8#/gal CI G cement.
 4. TIH with CIBP. Set BP at 7065'. Top with 2 sxs 15.8#/gal CI G cement.
 5. TIH with perforation gun. Shoot 2 holes for annular squeeze at 4635', 4400'
 6. TIH with tubing mix and pump 103 sxs of cement through squeeze holes, unable to establish circulation. Tag cement at 4442'.
 7. TIH with per gun shoot additional squeeze holes at 4500'. Set CICR at 4415'. Sting in and pump 45 sxs 15.8#/gal CI G cement. Sting out and leave 10 sxs on top of CICR.
 8. TIH with casing cutter. Cut 5 1/2" casing at 975'. Pull cut casing.
 9. TIH with tubing to 1073'. RU cementing company. Mix and pump 413 sxs 15.8#/gal CI G cement down tubing. Cement circulate to surface.
 10. Cut surface casing 6' below ground level and weld on cap

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: _____ Print Name: Jenifer Hakkarinen
 Title: REg TEch Date: 12/4/2017 Email: Jenifer.Hakkarinen@pdce.com

Based on the information provided herein, this Well Abandonment Report (Form 6) complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved: JENKINS, STEVE

Date: 3/7/2018

CONDITIONS OF APPROVAL, IF ANY:

<u>COA Type</u>	<u>Description</u>

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
401475130	FORM 6 SUBSEQUENT SUBMITTED
401475134	WELLBORE DIAGRAM
401475139	WIRELINE JOB SUMMARY
401475140	CEMENT JOB SUMMARY

Total Attach: 4 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
		Stamp Upon Approval

Total: 0 comment(s)