



COLORADO
Oil & Gas Conservation
Commission
Department of Natural Resources

1120 Lincoln Street, Suite 801
Denver, CO 80203

REM# 9990, 9766, 9345, 9396, 9399, 9400, 9398, 9401, 9126,
8509, 8397, 7913, 1801

Doc# 1732373

Date: 05/02/2019

May 2, 2019

Mr. Gene Fritzler
Fritzler Resources Inc. - #31257
PO Box 114
Fort Morgan, CO 80701

Re: Unresolved Remediation Projects
Additional Financial Assurance Requirement

Dear Mr. Fritzler,

Fritzler Resources, Inc. (Fritzler) currently has thirteen unresolved remediation projects dating from 3/31/04 to 12/15/16 as indicated in the table below. Based on the lack of documentation provided for these projects and the failure to remediate these locations to cleanup standards in a timely manner, the Colorado Oil & Gas Conservation Commission (COGCC) is requiring Fritzler to post additional financial assurance of \$50,000 per site for a total of \$650,000.

| Date Submitted | Document # | Project Number | Facility Type | Facility ID/API |
|----------------|---------------------------|----------------|---------------|-----------------|
| 12/15/2016 | 200440944 | 9990 | PIT | 109584 |
| 3/22/2016 | 200439962 | 9766 | | |
| 9/30/2015 | 2086953 | 9345 | WELL | 05-001-07673 |
| 7/30/2015 | 2086989 | 9396 | WELL | 05-121-05440 |
| 7/30/2015 | 2144736 | 9399 | WELL | 05-121-05192 |
| 7/30/2015 | 2144737 | 9400 | WELL | 05-121-05180 |
| 7/29/2015 | 2144735 | 9398 | WELL | 05-121-05388 |
| 7/29/2015 | 2144738 | 9401 | WELL | 05-121-08645 |
| 6/1/2015 | 2086940 | 9126 | WELL | 05-121-05439 |
| 6/27/2014 | 2141568 | 8509 | WELL | 05-- |
| 5/4/2014 | 2148775 | 8397 | WELL | 05-121-05540 |
| 6/24/2013 | 2145667 | 7913 | WELL | 05-075-09233 |
| 3/31/2004 | 1126696 | 1801 | WELL | 05-001-05542 |

P 303.894.2100 F 303.894.2109 www.colorado.gov/cogcc

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Due to the failure to remediate these sites, the Director believes that the Commission may become burdened with the costs of fulfilling the statutory obligations to remediate these sites and makes this request in accordance with COGCC Rule 702.a.

The additional financial assurance shall be remitted to COGCC no later than 30-days from the date of this letter. Contact Financial Assurance Analyst, Deborah Lutz at 303-894-2100, ext. 5185 to discuss the appropriate surety bond that is acceptable to COGCC.

As an alternate to the \$650,000, Fritzler can provide a detailed cost estimate to remediate each location and use that as a basis to establish the full amount of financial assurance required. Upon completion and approval by COGCC of individual projects, Fritzler can request release of the financial assurance for each project.

If you have any questions or require additional information, please contact me at 303-894-2100, ext. 5115.

Sincerely,

A handwritten signature in cursive script that reads "John Axelson".

John E. Axelson, P.G.
East Environmental Supervisor

Cc. Greg Deranleau - Environmental Manager - COGCC
Deborah Lutz - Financial Assurance Analyst - COGCC
Jeremy Ferrin - Enforcement Supervisor - COGCC
Rob Young - Environmental Protection Specialist - COGCC