

**State of Colorado  
Oil and Gas Conservation Commission**

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



DE	ET	OE	ES
Document Number: <b>401984477</b>			
Date Received:			

**SUNDRY NOTICE**

Submit a signed original. This form is to be used for general, technical and environmental sundry information. For proposed or completed operations, describe in full in Comments or provide as an attachment. Identify Well by API Number; identify Oil and Gas Location by Location ID Number; identify other Facility by Facility ID Number.

OGCC Operator Number: 10417 Contact Name Timothy Hart  
 Name of Operator: INCREMENTAL OIL & GAS (FLORENCE) LLC Phone: (303) 999-5420  
 Address: 113 N SANTA FE AVE Fax: ( )  
 City: FLORENCE State: CO Zip: 81226 Email: thart@freemontpetroleum.com

Complete the Attachment Checklist

OP OGCC

API Number : 05- 043 06150 00 OGCC Facility ID Number: 295254  
 Well/Facility Name: RAINBOW Well/Facility Number: 23-20  
 Location QtrQtr: NESW Section: 20 Township: 19S Range: 69W Meridian: 6  
 County: FREMONT Field Name: FLORENCE-CANON CITY  
 Federal, Indian or State Lease Number: \_\_\_\_\_

Survey Plat		
Directional Survey		
Srvc Eqpmt Diagram		
Technical Info Page		
Other		

**CHANGE OF LOCATION OR AS BUILT GPS REPORT**

- Change of Location \*     As-Built GPS Location Report     As-Built GPS Location Report with Survey

\* Well location change requires new plat. A substantive surface location change may require new Form 2A.

**SURFACE LOCATION GPS DATA** Data must be provided for Change of Surface Location and As Built Reports.

Latitude \_\_\_\_\_ PDOP Reading \_\_\_\_\_ Date of Measurement \_\_\_\_\_  
 Longitude \_\_\_\_\_ GPS Instrument Operator's Name \_\_\_\_\_

**LOCATION CHANGE (all measurements in Feet)**

Well will be: \_\_\_\_\_ (Vertical, Directional, Horizontal)

Change of **Surface Footage From** Exterior Section Lines:

FNL/FSL	FEL/FWL
<u>1832</u> <u>FSL</u>	<u>1912</u> <u>FWL</u>
_____	_____

Change of **Surface Footage To** Exterior Section Lines:

Current **Surface Location From** QtrQtr NESW Sec 20 Twp 19S Range 69W Meridian 6  
 New **Surface Location To** QtrQtr \_\_\_\_\_ Sec \_\_\_\_\_ Twp \_\_\_\_\_ Range \_\_\_\_\_ Meridian \_\_\_\_\_

Change of **Top of Productive Zone Footage From** Exterior Section Lines:

<u>1844</u> <u>FSL</u>	<u>1905</u> <u>FWL</u>
_____	_____

Change of **Top of Productive Zone Footage To** Exterior Section Lines:

Current **Top of Productive Zone Location From** Sec 20 Twp 19S Range 69W

Twp <u>19S</u>	Range <u>69W</u>
Twp _____	Range _____

New **Top of Productive Zone Location To** Sec \_\_\_\_\_ Twp \_\_\_\_\_ Range \_\_\_\_\_

Change of **Bottomhole Footage From** Exterior Section Lines:

<u>1844</u> <u>FSL</u>	<u>1905</u> <u>FWL</u>
_____	_____

Change of **Bottomhole Footage To** Exterior Section Lines:

Current **Bottomhole Location** Sec 20 Twp 19S Range 69W

Twp <u>19S</u>	Range <u>69W</u>
Twp _____	Range _____

\*\* attach deviated drilling plan

New **Bottomhole Location** Sec \_\_\_\_\_ Twp \_\_\_\_\_ Range \_\_\_\_\_

Is location in High Density Area? \_\_\_\_\_

Distance, in feet, to nearest building \_\_\_\_\_, public road: \_\_\_\_\_, above ground utility: \_\_\_\_\_, railroad: \_\_\_\_\_,  
 \_\_\_\_\_ property line: \_\_\_\_\_, lease line: \_\_\_\_\_, well in same formation: \_\_\_\_\_

Ground Elevation \_\_\_\_\_ feet Surface owner consultation date \_\_\_\_\_



Comments:

**ENGINEERING AND ENVIRONMENTAL WORK**

NOTICE OF CONTINUED TEMPORARILY ABANDONED STATUS

Indicate why the well is temporarily abandoned and describe future plans for utilization in the COMMENTS box below or provide as an attachment, as required by Rule 319.b.(3).

Date well temporarily abandoned \_\_\_\_\_ Has Production Equipment been removed from site? \_\_\_\_\_

Mechanical Integrity Test (MIT) required if shut in longer than 2 years. Date of last MIT \_\_\_\_\_

SPUD DATE: \_\_\_\_\_

**TECHNICAL ENGINEERING AND ENVIRONMENTAL WORK**

Details of work must be described in full in the COMMENTS below or provided as an attachment.

NOTICE OF INTENT Approximate Start Date 03/26/2019

REPORT OF WORK DONE Date Work Completed \_\_\_\_\_

<input type="checkbox"/> Intent to Recomplete (Form 2 also required)	<input checked="" type="checkbox"/> Request to Vent or Flare	<input type="checkbox"/> E&P Waste Mangement Plan
<input type="checkbox"/> Change Drilling Plan	<input type="checkbox"/> Repair Well	<input type="checkbox"/> Beneficial Reuse of E&P Waste
<input type="checkbox"/> Gross Interval Change	<input type="checkbox"/> Rule 502 variance requested. Must provide detailed info regarding request.	
<input type="checkbox"/> Other _____	<input type="checkbox"/> Status Update/Change of Remediation Plans for Spills and Releases	

**COMMENTS:**

Operator requests continued approval to vent associated/produced gas for this well. The estimated volume of gas to be flared is 4.6 MCFD; gas content is primarily methane and heat content is 1078-1182 BTU/SCF; H2S is less than 1 ppm and is Below Detection Limit (BDL); extended gas analysis is attached.

This request is based lack of available infrastructure due to being in a remote area with no immediate plans to construct infrastructure. The nearest tie-in point is greater than 10 miles from this well and pipeline installation costs alone are estimated at \$400,000/mile for a total in excess of \$4 million.

Based on 4.6 MCFD and current natural gas spot price of \$2.39/MMBtu, gross gas revenue for this well before factoring operating costs would be approximately \$10.99/day, or \$4,013/year. Operator has 4 additional producing wells within a half-mile radius of the subject well. Collectively those wells produce an average of <40 MCFD at \$2.39/MMBtu, gross gas revenue for this well before factoring operating costs would be approximately \$95.60/day or \$34,894/year. Therefore, installation of gas infrastructure is viewed as uneconomic at this time. Operator intends to drill up to four wells in the Florence Field per year in the near term. Operator is actively seeking a gas sales contract with a potential buyer; tie-in to the subject well will be reevaluated for economic feasibility when that system is constructed.

In accordance with CDPHE APCD regulations, Operator vents this low volume of gas and has secured site-specific permits as required by CDPHE APCD (see CDPHE permit #11FR1748 for AIRS ID 043/0161/001). The operator has complied with rule 805.b. (1) and CDPHE APCD Regulation numbers 2, 3, and 7, where applicable. In accordance with Rule 912, gas vented or used on this lease is reported on Operator's Monthly Report of Operations, Form 7.

**CASING AND CEMENTING CHANGES**

Casing Type	Size	Of	/	Hole	Size	Of	/	Casing	Wt/Ft	Csg/LinTop	Setting Depth	Sacks of Cement	Cement Bottom	Cement Top

**H2S REPORTING**

Data Fields in this section are intended to document Sample and Location Data associated with the collection of a Gas Sample that is submitted for Laboratory Analysis.

Gas Analysis Report must be attached.

H2S Concentration: 0 in ppm (parts per million)

Date of Measurement or Sample Collection 05/07/2019

Description of Sample Point:

Well casing at O&G well wellhead.

Absolute Open Flow Potential 4600 in CFPD (cubic feet per day)

Description of Release Potential and Duration (If flow is not open to the atmosphere, identify the duration in which the container or pipeline would likely be opened for servicing operations.):

Requesting to vent up to 4.6 CFPD (the APFP of the well). The amount of vented gas will be kept to a minimum and will be adjusted downward so it is just enough to ensure oil production in the well. No H2S release potential, H2S is below detection limit.

Distance to nearest occupied residence, school, church, park, school bus stop, place of business, or other areas where the public could reasonably be expected to frequent: 557 FEET

Distance to nearest Federal, State, County, or municipal road or highway owned and principally maintained for public use: 1461 FEET

COMMENTS:

[Empty text box for comments]

**Best Management Practices**

**No BMP/COA Type**

**Description**

**Operator Comments:**

Operator requests continued approval to vent associated/produced gas for this well. H2S is less than 1 ppm and is Below Detection Limit (BDL). This request is based lack of available infrastructure due to being in a remote area with no immediate plans to construct infrastructure due to uneconomic conditions. Production in the Florence field began in 1876. Very little gas is produced in the field. With an average depth in the field of approximately 3,000 ft., a normal pressure gradient would be 1,200 psig. However, the well currently has <2 psig. Shutting in the annulus results in backpressure which significantly reduces oil production. Due to low per well rates in the field and lack of nearby access to a gas gathering system, installation of a gas gathering system including a system to meet pipeline specifications, is uneconomic. Additional required information is found in the Engineering tab comments.

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

Signed: \_\_\_\_\_ Print Name: Chris Del Hierro \_\_\_\_\_  
Title: Consultant \_\_\_\_\_ Email: chris@cdhconsult.com \_\_\_\_\_ Date: \_\_\_\_\_

Based on the information provided herein, this Sundry Notice (Form 4) complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved: \_\_\_\_\_ Date: \_\_\_\_\_

**CONDITIONS OF APPROVAL, IF ANY:**

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

**General Comments**

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Engineer	returning the sundries for venting/flaring back to DRAFT – they are incomplete for the request – guidance document on our website – Regulation – Policies – Rule 912	08/13/2019

Total: 1 comment(s)

**Attachment Check List**

<u>Att Doc Num</u>	<u>Name</u>
401984487	GAS ANALYSIS REPORT
402207900	GAS ANALYSIS REPORT

Total Attach: 2 Files