

From: [Nolan Redmond](#)
To: [Deborah Bracey - DNR](#); [Gina Doerner](#)
Subject: RE: Form 9 Transfer - SIMCOE LLC #403140118 to Catamount Energy Partners LLC #403148818
Date: Friday, January 13, 2023 3:46:31 PM

Good Afternoon Deb,

Catamount is ok with the COAs you sent out with your initial email. Please let us know if there is anything else you need for this.

Thanks,

Nolan Redmond
nredmond@catamountep.com
720-484-2347 (office)
303-909-3587 (cell)



From: Deborah Bracey - DNR <deborah.bracey@state.co.us>
Sent: Friday, January 13, 2023 3:39 PM
To: Gina Doerner <gina.doerner@ikavenergy.com>; Nolan Redmond <nredmond@catamountep.com>
Subject: RE: Form 9 Transfer - SIMCOE LLC #403140118 to Catamount Energy Partners LLC #403148818

Gina and Nolan,

Here is the current recap of issues:

Issue 1 – Received revised Subsequent Attestation and will get it uploaded to the form.

Issue 2 – Still need the Wells and Facilities – Not Transferred list and the Seller Retains Responsibility Attestation.

Issue 3 - If the parties perform the research and determine that all corrective actions for a particular FIR have been resolved, that FIR does not need to be listed on the Form 9 but will be subject to Rule 218.d(1)D.iii.

Issue 4 – I have attached the NOAV which indicates that SIMCOE was missing Bradenhead Tests and does not identify specific Wells or locations. Please disregard.

Finally, both parties need to accept the COAs in an email response that will be added to the file.

Thanks and have a great weekend.

Deb

From: Gina Doerner <gina.doerner@ikavenergy.com>

Sent: Wednesday, January 11, 2023 4:51 PM

To: Deborah Bracey - DNR <deborah.bracey@state.co.us>

Subject: FW: Form 9 Transfer - SIMCOE LLC #403140118 to Catamount Energy Partners LLC #403148818

Hi Deb,

Just following up on the Form 9 Transfer. Rather than try and repeat everything I thought I would forward two emails, one from Catamount and one from Simcoe, both in response to your email at the bottom so you can read them in full but also summarize below.

It sounds like Issue 1 is resolved, (see attached).

Issue 2: This one should be easy if we clarify that Simcoe will retain operatorship of the MZ 1R. Now they do not mention the plugged MZ No 1 well that is still under BP operatorship which is common for many wells. If there is an issue on that well then they go to BP first, then BP comes to us, and under our PSA we are the responsible party. Keep in mind that there is no FA for plugged wells. The tricky part on this issue 1 is to explain that yes there is a single wellpad location ID that will be shared.

Issue 3: So this one is a strange trail. Attached is the inspection document they reference which just looks like Jim Hughes did an environmental site inspection after the Rhodes was TA'd in 2018. His document refers to another inspection also attached which looks like a review of the MIT at the same time by Steve Labowskie. There are no corrective actions. My guess is that this all just refers to the MIT history on the Rhodes. My suggestion is to have an engineer research the MIT history and explain to COGCC that the TA well is compliant and that Catamount plans to return the well to production and it is up to Catamount to do any integrity repairs if needed.

Issue 4: Neither Catamount or SIMCOE can find any NOAV but the public search feature only goes back to 2014. I would ask Deb to send us what she is finding.

On the COA's for FA that is simple since it just says we agree to file our form 3 by the required date which for us was Oct 1, 2022. So we just need to say yes we accept that COA.

Please let me know how I should proceed.

Thanks for your help,
Gina

From: Nolan Redmond <nredmond@catamountep.com>

Sent: Monday, January 2, 2023 10:10 PM

To: Gina Doerner <gina.doerner@ikavenergy.com>

Subject: RE: Form 9 Transfer - SIMCOE LLC #403140118 to Catamount Energy Partners LLC #403148818

Issue 1: I updated the subsequent attestation document that we can forward to COGCC with the subsequent Form 9 # (attached). (CEP)

Issue 2: The 2 related facilities will remain with Simcoe. Send COGCC the well and facilities not transferred list with seller retains responsibility attestation. (Simcoe)

Issue 3: The field inspection with corrective action looks like it had a corrective action response so I'm not sure why it's showing up in their search. Let me know if you think we should do something different but it looks like we can just do a Related Incidents Not Transferred list with that incident number and a Seller Retains Responsibility Attestation. (Simcoe)

Issue 4: I don't see a related NOAV in the COGCC well documents but I assume we can just get them a Related Incidents Not Transferred list and provide a Seller Retains Responsibility Attestation. (Simcoe)

After we get the COGCC these documents CEP and Simcoe just need to respond to the COGCC that we will accept the COAs with regards to the Form 3 filing. (CEP and Simcoe)

Thanks,

Nolan Redmond

From: John Mummery <john.mummery@ikavenergy.com>

Sent: Friday, December 30, 2022 8:03 AM

Subject: RE: Form 9 Transfer - SIMCOE LLC #403140118 to Catamount Energy Partners LLC #403148818

So I think what is going on here for the Form 9 submitted by both us and Catamount to transfer the Rhodes No 1 to Catamount is confusion over a pad share of 3 wells. I noticed that the COGCC also sent this to Catamount which is good since it will take both of us to sort it all out. Ultimately, the issue will be that there are 3 wells on one pad that will be listed under 3 operators and they just want clear line of sight to who is responsible for the wells and the pad. I've attached a simple summary that should help. The key thing here is that the well facility ID's are unique while the 3 wells all share the same location ID. So in the COGCC world you need to clarify for them that anything associated with the State MZ No 1 and No 1R wells is Simcoe and anything associated with the Rhodes No 1 will be Catamount. The location is a

bit trickier and I do not know how the COGCC wants to approach that since ultimately it is a shared obligation.

Issue 1: I'm not following this issue but I assume it is just an administrative thing

Issue 2: This one should be easy if we clarify that Simcoe will retain operatorship of the MZ 1R. Now they do not mention the plugged MZ No 1 well that is still under BP operatorship which is common for many wells. If there is an issue on that well then they go to BP first, then BP comes to us, and under our PSA we are the responsible party. Keep in mind that there is no FA for plugged wells. The tricky part on this issue 1 is to explain that yes there is a single wellpad location ID that will be shared.

Issue 3: So this one is a strange trail. Attached is the inspection document they reference which just looks like Jim Hughes did an environmental site inspection after the Rhodes was TA'd in 2018. His document refers to another inspection also attached which looks like a review of the MIT at the same time by Steve Labowskie. There are no corrective actions. My guess is that this all just refers to the MIT history on the Rhodes. My suggestion is to have an engineer research the MIT history and explain to COGCC that the TA well is compliant and that Catamount plans to return the well to production and it is up to Catamount to do any integrity repairs if needed.

Issue 4: I'm not finding any NOAV but the public search feature only goes back to 2014. I would ask Deb to send us what she is finding

On the COA's for FA that is simple since it just says we agree to file our form 3 by the required date which for us was Oct 1, 2022. So we just need to say yes we accept that COA.

From: Deborah Bracey - DNR <deborah.bracey@state.co.us>

Sent: Thursday, December 29, 2022 5:10 PM

To: Gina Doerner <gina.doerner@ikavenergy.com>; Nolan Redmond <nredmond@catamountep.com>

Subject: Form 9 Transfer - SIMCOE LLC #403140118 to Catamount Energy Partners LLC #403148818

Good evening Gina and Nolan:

I have reviewed the above captioned Form 9 Transfer and have noted the following items.

Issue 1: The Subsequent Attestation does not reference the Subsequent document number.

Solution 1: Please resubmit the Subsequent Attestation referencing the Subsequent document number rather than the intent document number.

Issue 2: There are 2 Unaccounted for Related Facilities that will need to be accounted for.

Location 306832

Well 067-08858

Solution 2: If these facilities are to be transferred, please add them to the Wells and Facilities Transferred list.

If these facilities are to remain with the seller, SIMCOE LLC, then a Wells & Facilities – Not Transferred list needs to be submitted together with a Seller Retains Responsibility Attestation.

Issue 3: There is an Unaccounted for Related Incident that will need to be accounted for.

Field Inspection with a Corrective Action

Document #688800341

Solution 3: The corrective actions may or may not have been resolved. FIRs with outstanding corrective actions are transferable items that must be accounted for in the Form 9 in one or more of the following ways.

1. If the compliance responsibility for such an FIR transfers to the buyer, include that FIR on a Related Incidents Transferred list.
2. If the compliance responsibility for such an FIR is retained by the seller, include that FIR on a Related Incidents Not Transferred list and provide a Seller Retains Responsibility Attestation.

If the parties perform the research and determine that all corrective actions for a particular FIR have been resolved, that FIR does not need to be listed on the Form 9 but will be subject to Rule 218.d(1)D.iii.

Issue 4: There is an Unaccounted for Related NOAV that will need to be accounted for.

Solution 4:

1. If the compliance responsibility for such an NOAV transfers to the buyer, include that NOAV on a Related Incidents Transferred list.
2. If the compliance responsibility for such an NOAV is retained by the seller, include that NOAV on a Related Incidents Not Transferred list and provide a Seller Retains Responsibility Attestation.

Assuming the other Form 9 requirements are met, all Form 9s shall now be passed with the following two COAs:

The Buying Operator must file a Form 3, Financial Assurance Plan, within 10 business days of Form 9 approval –OR– by the applicable deadline as described in the Notice to Operators, Delayed Deadline for Rule 702.b(1)A.i., whichever is later. Per Rule 702, Buyer will then provide any required additional financial assurance as soon as practicable but no later than 90 days from the Commission’s approval of the Form 3, Financial Assurance Plan.

The Selling Operator must file a Form 3, Financial Assurance Plan within 10 business days of Form 9 approval –OR– by the applicable deadline as described in the Notice to Operators, Delayed Deadline for Rule 702.b(1)A.i., whichever is later. Per Rule 702, Seller will then provide any required additional financial assurance as soon as practicable but no later than 90 days from the Commission’s approval of the Form 3, Financial Assurance Plan.

Each operator will need to respond to this email that they accept the COAs.

If either operator has submitted a Form 3, please use the following comment when resubmitting the Form 3

This Form 3 Document #_____ is submitted as a result of an approved Form 9 Transfer of Operatorship and it replaces Form 3 document #_____.

All revised documents can be emailed to me and I will upload them to the form.

Please let me know if you have any questions.

Thanks,
Deb