



# FINANCIAL ASSURANCE PLAN NOTICE OF DECISION

**Polaris Production OPCO LLC - 10793**  
**Form 3 - 403287748**  
**Effective April 21, 2023**

The Director of the Colorado Oil and Gas Conservation Commission (COGCC) has **approved** the above referenced Form 3, Financial Assurance Plan, as authorized by COGCC Rule 702.e.(1). A copy of this Notice has been attached to the submitted Form 3 for record keeping purposes.

The approved Option 2 Plan requires the following Financial Assurance amounts to be submitted "as soon as practicable but no later than within 90 days" of the above date.

### Required Assurance

- Rule 702: \$ 902,000
- Rule 703: \$ 5,000
- Rule 704: \$ 0
- TOTAL \$ 907,000**





# COLORADO

## Oil & Gas Conservation Commission

Department of Natural Resources

### Form 3 - Financial Assurance Plan

## Summary Information Overview

Form Name: **Form 3 - Financial Assurance Plan**  
Document Number: **403287748**  
Date Submitted: **1/12/2023**

### Operator Information

- Operator Number: **10793**
- Operator Name: **POLARIS PRODUCTION OPCO LLC**
- Operator Address: **100 GLENBOROUGH DR SUITE 442**
- Operator City: **HOUSTON**
- Operator State: **TX**
- Operator Zip: **77067**
- First Name: **GREG**
- Last Name: **WACHEL**
- Contact Phone: **(346) 444-3321**
- Contact Email: **gwachel@fortify.energy**
- Initial Plan:
- Docket Number:
- Commission Order: **1-null**
- Subsidiary Operators: **None**
- Revised Plan Description:
- Operator Transfer Type:
- Operator's Total Oil Production: **39,076**
- Operator's Total Gas Production: **13,521**
- Operator's Aggregate GOR: **346**
- Operator's GOR Determination: **BOE**
- Operator's Average Daily Per-Well Production: **19.5605 BOE**
- Public Company: **NO**
- Current Approved Plan Option:

### Well Data

#### Well Status Data

Reported Plugged Wells are excluded.

-

Status	Total	With Federal Financial Assurance	Tribal Wells	Subject to Rule 702
Active	0	0	0	0
Active Permit	0	0	0	0
Domestic	0	0	0	0
Drilling	0	0	0	0
Injecting	3	0	0	3
Producing	14	0	0	14
Shut In	4	0	0	4
Suspended Operations	0	0	0	0
Temporarily Abandoned	2	0	0	2
Waiting on Completion	0	0	0	0
<b>TOTALS</b>	<b>23</b>	<b>0</b>	<b>0</b>	<b>23</b>

## Well Designation Data

Designation	Total	With Federal Financial Assurance	Tribal Wells	Subject to Rule 702
Defined Inactive	6	0	0	6
Noticed Inactive	0	0	0	0
Inactive Exception	0	0	0	0
Out of Service	0	0	0	0
Out of Service Repurposed	0	0	0	0
Low Producing	5	0	0	5

- Number of Inactive Wells: **6**
- Number of Wells Plugged (2023): **0**
- Number of Wells Plugged (2022): **0**
- Number of Wells Plugged (2021): **0**
- Number of Wells Plugged (2020): **0**
- Asset Retirement Planning Description: **v. Asset Retirement Planning a. Projected Life of the Field: 25 years b. Age of the Infrastructure: 7 years c. Number of OOS Wells: 0 d. Number of Inactive Wells: 6 [Whistler 6-22, Big Sky 14-11, Snowbird 16-15 (injector), Blackcomb 12-14 (injector), Crested Butte 2-14 (planned recompletion), Telluride 13-2 (planned recompletion)] e. Number of LP Wells: 1 (Mary Jane 11-5) f. Reasons for keeping inactive wells: Planned recompletes and additional waterflood injectors/producers in the future g. Timing for Plugging OOS wells: End of Field life**
- Plugged Wells Have Not Passed Final Reclamation:

	Have Not Passed Final Reclamation	Were Covered by Financial Assurance in Previous FA Plan
Reported Plugged (RP) Wells:	0	0
Dry & Abandoned (DA) Wells:	0	0
Plugged & Abandoned (PA) Wells:	0	0
<b>TOTAL:</b>	<b>0</b>	<b>0</b>

## FA Types & Bond Riders

- Surety Bond:
- Is Operator's financial assurance partially or entirely provided through one or more bond riders?: **NO**

## Plan Options

- *Financial Assurance Plan Option: 2*

## Financial Assurance for Wells Option 2

- *Operator chooses to use their Demonstrated Costs for Single Well Financial Assurance (SWFA):*
- *Total Number of Wells: 23*
- *5% of Total Wells: 1*
- *Number of Non-Low Producing Wells Covered by Per-Well Blanket: 18*
- *Number of Low Producing Wells Covered by Per-Well Blanket: 1*
- *Total Number of Blanket Wells 19*
- *Amount of Blanket Financial Assurance per Well \$18,000.00*
- *Total Amount of Per-Well Blanket Financial Assurance \$342,000.00*
- *Number of Low Producing Wells with SWFA: 4*
- *Amount of SWFA for Low Producing Wells using COGCC Costs: \$560,000.00*
- *Amount of SWFA for Low Producing Wells using Operator's Demonstrated Costs: \$260,000.00*
- *Number of Out of Service Wells with SWFA: 0*
- *Amount of SWFA for Out of Service Wells using COGCC Costs: \$0.00*
- *Amount of SWFA for Out of Service Wells using Operator's Demonstrated Costs: \$0.00*
- *Number of Out of Service Wells with Other Financial Assurance: 0*
- *Amount of Other Financial Assurance for Out of Service Wells: \$0.00*
- *Total Financial Assurance for Wells: \$902,000.00*

## Other Financial Assurance

- *Number of Centralized E&P Waste Management Facilities with Financial Assurance: 0*
- *Amount of Financial Assurance for Centralized E&P Waste Management Facilities: \$0.00*
- *Number of Remediation Projects with Financial Assurance: 0*
- *Amount of Financial Assurance for Remediation Projects: \$0.00*
- *Amount of Blanket Financial Assurance for Seismic Operations: \$0.00*
- *Number of Gas Gathering, Gas Processing, and Underground Gas Storage Facilities: 0*
- *Amount of Financial Assurance for Gas Gathering, Gas Processing, and Underground Gas Storage Facilities: \$0.00*
- *Number of Produced Water Transfer Systems: 1*
- *Amount of Financial Assurance for Produced Water Transfer Systems: \$5,000.00*
- *Number of Commercial Disposal Facilities: 0*
- *Amount of Financial Assurance for Commercial Disposal Facilities: \$0.00*
- *Amount of Statewide Blanket Surface Owner Protection Bond: \$0.00*
- *Number of Individual Surface Owner Protection Bonds: 0*
- *Total Amount of Individual Surface Owner Protection Bonds: \$0.00*

## Operator's Financial Assurance Summary

- *Amount of Financial Assurance Required per Rule 702: \$902,000.00*
- *Amount of Financial Assurance Required per Rule 703: \$5,000.00*
- *Amount of Financial Assurance Required per Rule 704: \$0.00*
- *Total Amount of Financial Assurance the Operator will provide to the Commission no later than 90 days from the Commission's approval of the Financial Assurance Plan: \$907,000.00*

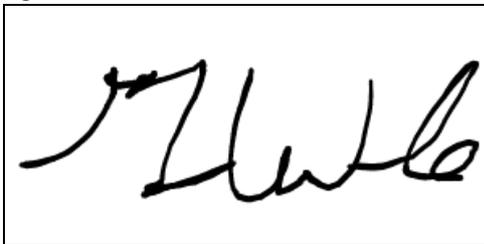
## Attachments

- Attached Files:

Doc Num	Attachment name	File name	Uploaded
403288641	CERTIFICATION OF FINANCIAL CAPABILITY	Form 3 Certification.pdf	01/12/2023 12:53:37 PM

## Signature and Certification

- Form Created: 1/11/2023
- Operator Comments: **Operator is submitting this Form 3 timely pursuant to the COA for the Form 9 Operator Transfer from D90 to Polaris. For the SWFA for the 4 inactive wells, which constitutes \$560,000 of our total bond amount, we respectfully request the following: 1. For the Commission to consider 2 wells, Crested Butte 2-14 and Telluride 13-2, are planned near-term recompletes to RTP (the Crested Butte 2-14 recompletion permit has been filed, the Telluride 13-2 filing is imminent), and therefore a \$140,000 bonding obligation per well is not appropriate at this time; 2. The Whistler 6-22 and Mary Jane 11-5 locations (and for that matter, Telluride 13-2 and Crested Butte 2-14) have minimal to no surface equipment beyond the wellhead, and the restoration to the terrain is similarly minimal, so surface reclamation should be far less than \$100,000 per well; and 3. as a follow-up to #2 above, Polaris is willing to supplement this Form 3 with P&A and reclamation estimates for the 4 Inactive Wells but requests additional time beyond the COA 10 days following the approval of the Form 9 Operator Transfer from D90. Thank you for your consideration.**
- I hereby certify all statements made on this form are, to the best of my knowledge at the time of submittal, true, correct, and complete.
- Name: **GREG WACHEL**
- Title: **COO**
- Email: **gwachel@fortify.energy**
- Phone: **(346) 444-3321**
- Signature:



## Associated Documents

- 403288725 - FORM 3 SUBMITTED
- 403288726 - FORM 3 WELL LIST
- 403288727 - FORM 3 INACTIVE WELLS
- 403288728 - FORM 3 OTHER FINANCIAL ASSURANCE
- 403288729 - FORM 3 PLUGGED WELLS HAVE NOT PASSED FINAL RECLAMATION

