



**FINANCIAL ASSURANCE PLAN
 NOTICE OF DECISION**

**Petroleum Exploration Company LTD DBA PETEX - 10815
 Form 3 - 403798337
 Effective June 6, 2024**

The Director of the Energy and Carbon Management Commission (ECMC or Commission) authorized by ECMC Rule 702.e.(1) has **approved** the above referenced Form 3, Financial Assurance Plan, a summary of which is provided in Attachment 1.

This revised plan replaces a plan previously approved in doc. no. 403384405. The Option 3 Plan requires 5% of the following Financial Assurance amounts to be submitted no later than the July 1st annual contribution due date. Complete and **submit a new Form 3A online**, identifying the instruments that will be allocated, and then **submit those documents to**:

Financial Assurance
 % ECMC
 1120 Lincoln, Suite 801
 Denver, CO 80203

Pursuant to Rule 702.d.(3).B, the 5% contribution is in addition to assurance already provided to the Commission, and must continue annually by July 1 beginning the year after your initial plan was approved; continuing until such time as the entire amount is provided.

Required Assurance

			5%
● Rule 702:	\$ 130,000	\$	6,500
● Rule 703:	\$ 000	\$	0
● Rule 704:	\$ 000	\$	0
TOTAL	\$ 130,000	\$	6,500

ATTACHMENT 1

Financial Assurance Plan Summary



Form 3 - Financial Assurance Plan

Summary Information Overview

Form Name: **Form 3 - Financial Assurance Plan**
Document Number: **403798337**
Date Submitted: **5/22/2024**

Operator Information

Operator Number: **10815**
Operator Name: **PETROLEUM EXPLORATION COMPANY LTD DBA PETEX**
Operator Address: **PO BOX 548 ATTN: NICHOLAS MCCLYMOND**
Operator City: **BRECKENRIDGE**
Operator State: **TX**
Operator Zip: **76424**
First Name: **ALI**
Last Name: **BANDY**
Contact Phone: **(254) 559-5453**
Contact Email: **abandy@petexltd.com**
Initial Plan:
Revised Plan:
Docket Number:
Commission Order:
Subsidiary Operators: **None**
Revised Plan Description:
Operator Transfer Type:
Operator's Total Oil Production: **2,511**
Operator's Total Gas Production: **0**
Operator's Aggregate GOR: **0**
Operator's GOR Determination: **BOE**
Operator's Average Daily Per-Well Production: **6.88 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	0	0	0	0
Producing	1	0	0	1
Shut In	0	0	0	0
Suspended Operations	0	0	0	0
Temporarily Abandoned	0	0	0	0
Waiting on Completion	0	0	0	0
TOTALS	1	0	0	1

Well Designation Data

Designation	Total	With Federal Financial Assurance	Tribal Wells	Subject to Rule 702
Defined Inactive	0	0	0	0
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	0	0	0	0

Number of Inactive Wells: **0**

Number of Wells Plugged (2024): **0**

Number of Wells Plugged (2023): **0**

Number of Wells Plugged (2022): **0**

Number of Wells Plugged (2021): **0**

Asset Retirement Planning Description: PETEX currently operates the Dorsett Lease in Kiowa County, CO. There is only one active well on the lease operated by PETEX, the Dorsett #1. We plan on keeping the well in production until it is no longer profitable to do so or until we decide to put it into a divesture package. If it becomes a liability economically, we will plug and abandon the well, clean the location of all equipment, and return the land to how it was before the well was drilled. We have 7 tanks, 1 water knockout, and a 160-pumping unit currently on location.

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
TOTAL:	0	0

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: **3**

Financial Assurance for Wells Option 3

Operator chooses to use their Demonstrated Costs for Single Well Financial Assurance (SWFA):

Total Number of Wells: **1**

Number of Wells with SWFA: **1**

Amount of SWFA using ECMC Costs: **\$130,000.00**

Amount of SWFA using Operator's Demonstrated Costs: **\$0.00**

Number of Transferred Low Producing Wells with Other Financial Assurance: **0**

Amount of Other Financial Assurance for Transferred Low Producing Wells: **\$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 Amount of Financial Assurance Required Pursuant to Rule 702.d.(3).B.: **\$130,000.00**

Annual Contribution Amount: 5% of Total Amount: **\$6,500.00**

Operator's Modified Annual Contribution Amount: **\$0.00**

Operator's Modified Annual Contribution Amount: **0%**

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: **0**

Amount of Financial Assurance for Produced Water Transfer Systems: **\$0.00**

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: **\$6,500.00**

Amount of Financial Assurance Required per Rule 703: **\$0.00**

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: **\$6,500.00**

Attachments

Attached Files:

Doc Num	Attachment name	File name	Uploaded
403799740	CERTIFICATION OF FINANCIAL CAPABILITY	Certification of Financial Capability 2024.pdf	05/22/2024 07:32:38 AM

Signature and Certification

Form Created: 5/21/2024

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.

Operator Comments:

Name: **ALI BANDY**

Title: **PRODUCTION ANALYST**

Email: **abandy@petexltd.com**

Phone: **(254) 559-5453**

Signature:



Associated Documents

403799741 - FORM 3 WELL LIST

403799742 - FORM 3 INACTIVE WELLS

403799743 - FORM 3 OTHER FINANCIAL ASSURANCE

403799744 - FORM 3 PLUGGED WELLS HAVE NOT PASSED FINAL RECLAMATION

403799745 - FORM 3 SUBMITTED

1120 Lincoln Street, Suite 801, Denver, CO 80203 P 303.894.2100 www.colorado.gov/cogcc
Jared S. Polis, Governor | Julie Murphy, Director | Scott Cuthbertson, Deputy Director Operations

