



BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO

IN THE MATTER OF THE PROMULGATION AND) CAUSE NO. 1
ESTABLISHMENT OF FIELD RULES TO GOVERN)
OPERATIONS IN PORTIONS OF THE WATTENBERG FIELD,) ORDER NO. 1-144
ADAMS, BROOMFIELD AND WELD COUNTIES, COLORADO)

REPORT OF THE COMMISSION

This cause came on for hearing before the Commission on November 30, 2009, at 9:00 a.m., in Suite 801, The Chancery Building, 1120 Lincoln Street, Denver, Colorado, for an order to establish a bradenhead testing area for those lands from Townships 1 South through 4 North and Ranges 64 West through 68 West, 6th P.M., inclusive, for all wells in said area having exposed Laramie-Fox Hills Aquifer below the surface casing setting depth, requiring the operators of said wells to perform a bradenhead test, and giving the Director the authority to: (1) approve any bradenhead testing schedules submitted by an operator, and (2) devise any necessary remedial requirements for wells tested with high bradenhead pressures, to include any additional testing that may be deemed necessary.

FINDINGS

The Commission finds as follows:

1. The Director initiated these proceedings upon questions relating to the conduct of oil and gas operations in the State of Colorado by notice of hearing.
2. Due notice of the time, place and purpose of the hearing has been given in all respects as required by law.
3. The Commission has jurisdiction over the subject matter embraced in said Notice, and of the parties interested therein, and jurisdiction to promulgate the hereinafter prescribed order.
4. Rule 207.b. of the Rules and Regulations of the Colorado Oil and Gas Conservation Commission ("COGCC") provides that the Director has the authority to designate specific fields or portions of fields as bradenhead test areas within which, on any well, the bradenhead access to the annulus between the production and surface casing, as well as any intermediate casing, shall be equipped with fittings to allow for safe and convenient determinations of pressure and fluid flow.
5. Portions of the Greater Wattenberg Area ("GWA") are underlain by the Laramie-Fox Hills Aquifer (the "Aquifer"), which comprises approximately 6,700 square miles and is generally between 250 feet and 300 feet thick. At present, the OGCC has confirmed eighteen water wells in the area, consisting of those lands from Townships 1 South through 4 North and Ranges 64 West through 68 West, 6th P.M., inclusive, have been impacted by thermogenic gas. OGCC Staff alleges that establishing a bradenhead testing area, for those lands described above for all wells wherein the Aquifer is exposed, will help prevent further impacts to the Aquifer and will be in the best interests of the public and oil and gas operators.
6. Accordingly, the Director requests that the Commission establish a bradenhead testing area for those lands from Townships 1 South through 4 North and Ranges 64 West through 68 West, 6th P.M., inclusive, and that all wells in said area having exposed Aquifer below the surface casing setting depth should have a bradenhead test performed and recorded with the COGCC, in accordance with established bradenhead testing procedures. Further, the Director requests that the COGCC Staff be granted the authority to approve any bradenhead testing schedules submitted by an oil and gas operator, and that the OGCC Staff be granted the authority to devise any necessary remedial requirements for wells tested with high bradenhead pressures and any additional testing that may be deemed necessary.
7. On October 26, 2009, the Commission heard from COGCC Staff and affected operators, having given the public an opportunity to make comment, regarding this matter, and deferred deliberations to a subsequent hearing to allow additional time for notice on all affected operators of record.
8. On November 30, 2009, the Commission again heard from COGCC Staff and

affected operators, having given additional time for the public to make comment, regarding this matter, and voted to approve the request of the Director in this matter, thereby establishing a bradenhead testing area for those lands from Townships 1 South through 4 North and Ranges 64 West through 68 West, 6th P.M., inclusive, for all wells in said area having exposed Aquifer below the surface casing setting depth, and requiring the operators of said wells to perform a bradenhead test, and giving the Director the authority to: (1) approve any bradenhead testing schedules submitted by an operator, and (2) devise any necessary remedial requirements for wells tested with high bradenhead pressures, to include any additional testing that may be deemed necessary.

ORDER

NOW, THEREFORE, IT IS ORDERED, that a bradenhead testing area is hereby established for those lands from Townships 1 South through 4 North and Ranges 64 West through 68 West, 6th P.M., inclusive, for all wells in said area having exposed Laramie-Fox Hills Aquifer below the surface casing setting depth, requiring the operators of said wells to perform a bradenhead test, and giving the Director the authority to: (1) approve any bradenhead testing schedules submitted by an operator, and (2) devise any necessary remedial requirements for wells tested with high bradenhead pressures, to include any additional testing that may be deemed necessary.

IT IS FURTHER ORDERED, that the provisions contained in the above order, shall become effective forthwith.

IT IS FURTHER ORDERED, that the Commission expressly reserves its right, after notice and hearing, to alter, amend or repeal any and/or all of the above orders.

IT IS FURTHER ORDERED, that under the State Administrative Procedure Act the Commission considers this order to be final agency action for purposes of judicial review within thirty (30) days after the date this order is mailed by the Commission.

IT IS FURTHER ORDERED, that an application for reconsideration by the Commission of this order is not required prior to the filing for judicial review.

ENTERED this -15th- day of December, 2009, as of November 30, 2009.

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO

By  _____

Robert A. Willis, Acting Secretary

Dated at Suite 801
1120 Lincoln Street
Denver, Colorado 80203
December 15, 2009

Handwritten signature in blue ink, possibly reading "W. J. ...".