

April 30, 2019

Darrel Wagner
2760 CR 64
Padroni, CO 80745

Mr. Wagner,

The Colorado Oil and Gas Conservation Commission (COGCC) received your complaint regarding payment of royalties and site maintenance. Your complaint is recorded in document number 200446953 and can be reviewed via the “Complaints” link, on our website (<http://cogcc.state.co.us/>).

The actions taken to address your complaints are summarized below.

- COGCC staff reviewed records for the Wagner 1 well, operated by KP Kauffman Company Inc. and determined that the well is shut in. The production records for the location accurately report this status. The location had a mechanical integrity test (MIT) in December 2014, and will be in compliance with COGCC rules as a shut in well until December 2019;
- COGCC staff reviewed past inspections for the location. Staff determined that there was an outstanding corrective action from Field Inspection Report [FIR] #688000077 (from 10/3/2017). The corrective action was to “Submit an eForm 27 for the proper closure of the unused produced water pit”. COGCC staff contacted the operator and instructed them to submit a Form 27 to comply with the corrective action;
- On 04/02/2019 a COGCC inspector conducted an inspection of the Wagner 1 well (documented in Field FIR #680304835);
- The inspection determined that the lease road was overgrown and showing ruts and erosion, fencing was down, berms required maintenance, and gear box lubricant had reached surface soils;
- FIR #680304835 was issued to the operator with corrective action to “Repair and maintain lease road per Rule 604 guidelines”, repair fencing at the pump jack and battery, repair berms at battery per Rule 604 guidelines, and remove/remediate affected soils below gear box at pump jack.



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COGCC FIRs #688000077 and #680304835 is attached to this letter.

The operator has until May 2019 to complete the corrective actions identified in this investigation. Following the corrective action deadline, COGCC will determine if enforcement action is required.

If you have questions regarding these complaints, you may contact me.

Sincerely,



Megan Adamczyk, Complaint Specialist
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Phone: 888-235-1101