

STATE OF COLORADO
OIL AND GAS CONSERVATION COMMISSION

DEPARTMENT OF NATURAL RESOURCES
SUITE 380 LOGAN TOWER BUILDING
1580 LOGAN STREET
DENVER, COLORADO 80203

(303) 894-2100

WILLIAM R. SMITH
Director
DENNIS R. BICKNELL
Deputy Director



ROMER
Governor

March 23, 1989

Crown Central Petroleum Corporation
4000 N. Big Spring
Midland, Texas 79701

Re: Houston No. 2-29
NW NE 29-9N-52W
Logan County, Colorado

Gentlemen:

Attached is a copy of a letter to Romac Exploration Company, Inc. concerning the operations of the Houston No. 2-29 well. You should note that the records of the Colorado Oil and Gas Conservation Commission continue to indicate that Crown Central Petroleum Corporation is the operator of record of the well. Neither of the successive owners of your company's interest in the well have filed a Change of Operator for the well.

The Commission is bound to deal with the operator of a well based upon the filings of operators. It is not the position of the staff to seek out new operators and require filings. The responsibility lies with the seller of the well. Therefore, any assistance that you might provide in this matter would be in your best interest. As the letter to Romac states, we will demand that Crown Central plug the Houston well in the event that Romac fails to accept responsibility for it.

Should you have any questions please do not hesitate to call me at (303) 894-2100.

Sincerely,

Robert L. Vaclavik
Senior Petroleum Engineer



Cross Timbers Production Company

February 23, 1989

State of Colorado
Oil and Gas Conservation Commission
Department of Natural Resources
suite 380 Logan Tower Building
1580 Logan Street
Denver, CO 80203
Attn: Stephan Pott

Re: Well Status/reporting
Houston 2-29
Section 29-9N-52W
Logan County, CO

RECEIVED
FEB 27 1989
COLO. OIL & GAS CON. COMM.

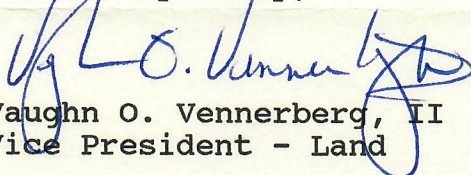
Gentlemen:

Cross Timbers Production Company, successor in interest to Crown Central Petroleum Corporation, is in receipt of your letter (copy attached) wherein you questioned the status of the captioned well.

Crown Central Petroleum sold its interest in the Houston well to:
Robert C. Roehrs
c/o Romac Exploration
621 17th Street, Suite 1535
Denver, CO 80293

It would be appreciated if you would notify Romac Exploration of your concerns.

Yours very truly,


Vaughn O. Vennerberg, II
Vice President - Land

cc: Robert C. Roehrs
Romac Exploration
621 17th Street, Suite 1535
Denver, CO 80293

STATE OF COLORADO
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1580 LOGAN STREET
DENVER, COLORADO 80203

WILLIAM R. SMITH
Director
DENNIS R. BICKNELL
Deputy Director

(303) 894-2100

February 8, 1989

ROY ROMER
Governor

RECEIVED
FEB 27 1989
COLO. OIL & GAS CONS. COMM.

CTPC - OKLA. CITY
FEB 17 1989

Don B. Wells
Crown Central Petroleum Corp.
4000 N. Big Spring
Midland, TX 79701

RE: Well Status/reporting

Dear Mr. Wells,

Recent review of production reports and well files has revealed that the Houston 2-29, NWNE 29-9N-52W is in violation of Rules 319(b), Shut-in and Temporary Abandonment reporting and Rule 307, Operator's Monthly Production Report.

This office has not received reports as required by the rules stated above. Production reports are required even if wells are shut-in. I have enclosed a speech given to the Denver Julesburg Petroleum Association addressing the problems involved with shut-in wells. Contact this office with your plans to either put this well on production or to plug and abandon it.

Yours truly,



Stephan Pott
Petroleum Engineer

The Colorado Oil and Gas Conservation Commission revised Rule 319 of its Rules and Regulations effective October 1, 1986 as it pertains to shut-in and temporarily abandoned wells. Rule 319 "b." now has three separate sections and requires that "a well may be shut-in or temporarily abandoned when completed upon approval of the Director for a period not to exceed six months..."; "...if an operator requests shut-in or temporary abandonment status in excess of six months he shall state the reason for requesting such extension and state plans for future operation..."; and, "...a well which has ceased production or is incapable of production shall be abandoned within six months thereafter unless the time is extended by the Director upon the application of the owner. The application shall state why the well is shut-in and future plans for utilization." The changes to this rule were the result of growing numbers of inactive wells in the State of Colorado and the potential liabilities that they create for both the State and the industry.

The Commission Staff made a conscious decision to allow the industry an opportunity to incorporate the rule change into the plans of each individual company with subsequent abandonment of unnecessary wells to follow. Unfortunately, relatively few wells have been abandoned during the two year period following the change. Concurrently, the Staff compiled lists of wells which would appear to be the most likely candidates for abandonment, excluding gas wells which are shut-in due to a lack of market for pipeline quality gas. Commencing immediately, the Staff will contact individual operators with inactive wells to discuss plans for the abandonment or use of these wells. Those wells which cannot be utilized will be required to be plugged.

The Commission and the Staff do not take lightly the cost and burden to the industry of commencing such a campaign. However, the cost of maintaining almost 20 percent of the wells in the state as inactive is also high. While we work with new companies to provide bonds or security for operators in Colorado, we must also eliminate some potential risk for these companies as an incentive. The cost to the Commission for the annual inspection of these wells is passed on to the industry via the mill levy. Surface owners and local authorities also take neglected wells into account when considering new rules and regulations which may be costly to the industry.

I am sure that the oil and gas industry in Colorado realizes the necessity for the prudent enforcement of Rule 319 b.. The Commission Staff will cooperate with operators to minimize sudden impacts upon the operators. Low, competitive rates for services should also soften the impact. In order to cover the matter in greater detail, it will be discussed at the next meeting of the DJPA on November 9, 1988.

William R. Smith, Director
Colorado Oil and Gas
Conservation Commission



Union Texas
Petroleum

RECEIVED

JUL 9 1985

COLORADO OIL & GAS CONS. COMM.

Western Division

14001 E Iliff Avenue
Suite 500
Aurora, CO 80014
Telephone (303) 695-8778

July 3, 1985

Colorado Oil & Gas Commission
1580 Logan Street Room 380
Denver, Colorado 80203

Attention: Mr Jim McKey

NW NE ✓
29-9N-52W

re: C&K Houston 2-29

Am

Dear Mr McKey:

Attached is the final report we have concerning operations on the Houston 2-29 well. I have also enclosed three other sheets that show the drilling and casing record as best we have.

Union Texas acquired this file last fall when we bought Enstar. Enstar had previously bought C&K.

If we can help further, give me a call.

Yours truly,

Don Wells

Don B. Wells

cc: Marc Wohl

Still SI 3/24/87
Dane & Don

Bob Rohrs/Romac
292-9516

✓