

STATE OF
COLORADO

Lutz - DNR, Deborah <debbie.lutz@state.co.us>

#76840

Schneider EnergyServices Inc – Operator #76840

1 message

Lutz - DNR, Deborah <debbie.lutz@state.co.us>
To: Jeff Schneider <jeff@schneiderenergy.com>

Sat, May 16, 2020 at 4:45 PM

Good Afternoon Jeff:

Schneider Energy Services Inc – Operator #76840 has requested the release of their Individual Surface Bond Surety Id #2012-0061, and Individual Surface Bond Surety Id's #2012-0062, and Excess Inactive Plugging Bonds Surety Id's #2015-0117.

The bond release review for these bonds is attached. Please review the three tabs. The review includes reclamation inspection status, facilities, and incidents (NOAVs, complaints, spills, and remediation projects).

Surety Id 2012-0061: Ruby #1; Well API #001-09358. This initial review resulted in identifying one (1) "AC" location related to the Ruby #1.

Surety Id 2012-0062: Ruby #2; Well API# 001-09529. This bond cannot be released and must stay in place per *Per Rule 703 Surface owner protection*.

Surety Id 2015-0117: Excess Inactive Bond. This bond cannot be released and this time. Please see attached Excess Inactive report indicating the current excess inactive wells. *Per Rule 707 Inactive wells*

The bonds will be released when the operator has met all obligations covered by these bonds or all liability against the bonds has been transferred and/or has been properly closed out.

Thank you,

Debbie

Deborah Lutz**Financial Assurance Supervisor****COLORADO**
Oil & Gas Conservation
Commission
Department of Natural Resources

P 303.894.2100 ext 5185 | F 303.894.2109

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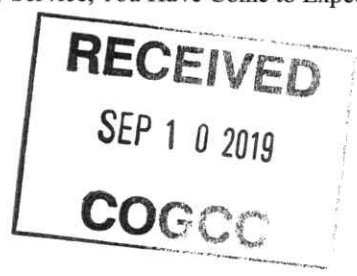
debbie.lutz@state.co.us | www.colorado.gov/cogcc**2 attachments** **SCHNEIDER ENERGY SERVICES INC_76840_BRLS_QUERY_2020_0516.xlsx**
101K **SCHNEIDER ENERGY SERVICES INC_76840_ExInactiveWells_2020_0516.xls**
68K

76840



Schneider Energy Services, Inc.

Providing the Quality Service, You Have Come to Expect



RE: Bond Release Request
Schneider Energy Services, Inc
Operator # 76840

Deborah,

This letter is a request to the COGCC for the release of the below mentioned bond numbers from Schneider Energy Services, Inc, Operator # 76840.

*passed
However
"AC" Location*

Surety ID# 2012-0061: Is a surface bond for the Ruby #1 API# 05-001-09358. This well was never drilled. Doc# 401648733, approved form 4 was submitted and approved by the COGCC. Since the well was never drilling and the AL was approved by the COGCC, Because of this, Schneider Energy Services, Inc feels this bond should be released by the COGCC.

Surety ID# 2012-0062: Is a surface bond for the Ruby #2 API# 05-001-09529. This well was drilled in December of 2012 and remains in production today. This well is in good standing with the COGCC. Schneider Energy Services has an active blanket plugging bond Surety ID# 2010-0013 which should cover the Ruby 2 well. Because of this, Schneider Energy Services, Inc feels this bond should be released by the COGCC.

Surety ID# 2015-0117: On 8/17/15 I received Warning Letter #2559406 from the COGCC requesting Schneider Energy Services, Inc add additional bonds to cover "Excess Inactive Wells". A cash bond for \$60,000.00, Surety ID# 2015-0117 was posted as requested in the warning letter. Since then we have plugged and abandoned the following wells, Leslie 1 API# 05-087-07146, Veeman 23-5 API# 05-087-08144, Stromsoe #1 API#05-087-06392, Thompson 43-13 API# 05-001-07899, Nugget Unit-Wagers 2 API# 05-121-06421, Nugget Unit-Wagers B-1 API# 05-121-06390, Weld Drilling Fund 1 API# 05-123-32925, Weld Drilling Fund 2 API# 05-123-32923, Knapp #3 API# 05-087-07751, Muir 13-A API# 05-087-07928. We also have approved MITs on the Weld Drilling Fund #3 API# 05-123-32924, Weld Drilling Fund #4 API# 05-123-32923, Coordes #4 API# 05-001-05545 and the Newton 1-4H API# 05-123-32780. Schneider Energy Services feels that with the wells P&D's and MIT'd we feel we have eliminated the need for the additional cash bond to cover the Excess Inactive Wells.

Sincerely Yours,

Jeff Schneider
President
Schneider Energy Services, Inc.