

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

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Receive Date:

12/28/2021

TRANSFER OF OPERATORSHIP

A Selling Operator will notify the Commission about the transfer of any Transferable Item associated with its Oil and Gas Operations to a Buying Operator by filing a Form 9, Transfer of Operatorship – Intent, with the Commission at least 30 days, or as soon as practicable, before the anticipated transfer date. (Rule 218.b.)
When a transaction subject to a Form 9 – Intent becomes final, the Buying Operator will submit a Form 9 – Subsequent within 7 days of closing. (Rule 218.d.(1).)

Type of Form 9, Transfer of Operatorship: ☐ Intent ☒ Subsequent Intent # 402899379**OPERATOR INFORMATION****SELLING OPERATOR INFORMATION**OGCC Operator Number: 20275

Contact Name and Telephone:

Name of Operator: CORAL PRODUCTION CORPName: Jim WeigerAddress: 1600 STOUT ST STE 1500Phone: (303) 623-3573City: DENVER State: CO Zip: 80202Email: jimwieger@questoffice.net**BUYING OPERATOR INFORMATION**OGCC Operator Number: 10017

Contact Name and Telephone:

Name of Operator: CHACO ENERGY COMPANYName: Matt NelsonAddress: P O BOX 1587Phone: (303) 981-3840City: DENVER State: CO Zip: 80201Email: matt@chacoenergy.com**TRANSFER INFO****Transfer Dates**Form 9 Intent - Anticipated Date of Transfer: 12/16/2021Form 9 Subsequent - Effective Date of Transfer: 12/01/2021**Confidentiality**Transfer is Confidential: Yes**Financial Assurance**Form 9 Intent - Estimated amount of Financial Assurance the Buying Operator will submit prior to anticipated date of transfer: \$ 60,000

Form 9 Subsequent - The Buying Operator's Financial Assurance:

Surety ID	Bond Type	Amount
20200038	PLUGGING	60,000

SUBSEQUENT LIABILITY**Rule 218.d.(1).D.i.**

"For Transferable Items listed in Rule 218.d.(1).B.i an acknowledgment that upon the effective date of transfer, that the Buying Operator assumes all responsibility for compliance with the Act, the Commission's Rules, and all terms and conditions of existing Permits and Commission orders for the Transferable Items."

In checking this box the Buying Operator's acknowledges the subsequent liability pursuant to Rule 218.d.(1).D.i.

**Rule 218.d.(1).D.ii.**

"For Transferable Items listed in Rule 218.d.(1).B.ii or iii, an acknowledgment that the Buying Operator may be or may become responsible for compliance with the Act, the Commission's Rules, and all terms and conditions of existing Permits and Commission orders if the Buying Operator takes any action, or fails to take any action, that would cause such Transferable Item to be out of compliance with the Act, the Commission's Rules, and all terms and conditions of existing Permits and Commission orders."

In checking this box the Buying Operator's acknowledges the subsequent liability pursuant to Rule 218.d.(1).D.ii.

**Rule 218.d.(1).D.iii.**

"For Transferable Items not listed in Rule 218.d.(1).B.i-iii but Related in the Commission's records, an acknowledgment that the Commission will presume that the Transferable Item was transferred, and that the Buying Operator is responsible for compliance with the Act, the Commission's Rules, and all terms and conditions of existing Permits and Commission orders for the Transferable Items."

In checking this box the Buying Operator's acknowledges the subsequent liability pursuant to Rule 218.d.(1).D.iii. ☒

SUBMITTAL

OPERATOR COMMENT AND SUBMITTAL

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Print Name: Matt Nelson Email: matt@chacoenergy.com

Signature: _____ Title: Sr. Operations Engineer Date: 12/28/2021

Wells & Facilities Transferred Summary

1	<u>Facility Type</u>	<u>API</u>	<u>Facility ID</u>	<u>Location ID</u>	<u>Facility Name</u>	<u>QtrQtr</u>	<u>Sec</u>	<u>Twp</u>	<u>Rng</u>
	PIT	-	116322		SOME STATE #	SESE	17	7N	51W
	<u>County</u>	<u>Min.Owner. Type</u>	<u>Current Operator Num</u>	<u>Current Operator Name</u>					
	LOGAN		20275	CORAL PRODUCTION CORP					
2	<u>Facility Type</u>	<u>API</u>	<u>Facility ID</u>	<u>Location ID</u>	<u>Facility Name</u>	<u>QtrQtr</u>	<u>Sec</u>	<u>Twp</u>	<u>Rng</u>
	LOCATION	-	312344	312344	SOME-STATE-67N51W #18SESE	SESE	18	7N	51W
	<u>County</u>	<u>Min.Owner. Type</u>	<u>Current Operator Num</u>	<u>Current Operator Name</u>					
	LOGAN		20275	CORAL PRODUCTION CORP					
3	<u>Facility Type</u>	<u>API</u>	<u>Facility ID</u>	<u>Location ID</u>	<u>Facility Name</u>	<u>QtrQtr</u>	<u>Sec</u>	<u>Twp</u>	<u>Rng</u>
	WELL	075-60004	221209	312344	SOME-STATE #1	SESE	18	7N	51W
	<u>County</u>	<u>Min.Owner. Type</u>	<u>Current Operator Num</u>	<u>Current Operator Name</u>					
	LOGAN	STATE	20275	CORAL PRODUCTION CORP					
4	<u>Facility Type</u>	<u>API</u>	<u>Facility ID</u>	<u>Location ID</u>	<u>Facility Name</u>	<u>QtrQtr</u>	<u>Sec</u>	<u>Twp</u>	<u>Rng</u>
	WELL	075-06113	219266	388237	ZIEGLER A #5	L8NW	2	8N	54W
	<u>County</u>	<u>Min.Owner. Type</u>	<u>Current Operator Num</u>	<u>Current Operator Name</u>					
	LOGAN	FEE	20275	CORAL PRODUCTION CORP					
5	<u>Facility Type</u>	<u>API</u>	<u>Facility ID</u>	<u>Location ID</u>	<u>Facility Name</u>	<u>QtrQtr</u>	<u>Sec</u>	<u>Twp</u>	<u>Rng</u>
	WELL	075-06132	219283	388241	ZIEGLER A #2	L8NW	2	8N	54W
	<u>County</u>	<u>Min.Owner. Type</u>	<u>Current Operator Num</u>	<u>Current Operator Name</u>					
	LOGAN	FEE	20275	CORAL PRODUCTION CORP					
6	<u>Facility Type</u>	<u>API</u>	<u>Facility ID</u>	<u>Location ID</u>	<u>Facility Name</u>	<u>QtrQtr</u>	<u>Sec</u>	<u>Twp</u>	<u>Rng</u>
	LOCATION	-	312175	312175	ZIEGLER A-68N54W #2L8NW	L8NW	2	8N	54W
	<u>County</u>	<u>Min.Owner. Type</u>	<u>Current Operator Num</u>	<u>Current Operator Name</u>					
	LOGAN		20275	CORAL PRODUCTION CORP					
7	<u>Facility Type</u>	<u>API</u>	<u>Facility ID</u>	<u>Location ID</u>	<u>Facility Name</u>	<u>QtrQtr</u>	<u>Sec</u>	<u>Twp</u>	<u>Rng</u>
	LOCATION	-	312181	312181	ZIEGLER A-68N54W #2L8NW	L8NW	2	8N	54W
	<u>County</u>	<u>Min.Owner. Type</u>	<u>Current Operator Num</u>	<u>Current Operator Name</u>					
	LOGAN		20275	CORAL PRODUCTION CORP					
8	<u>Facility Type</u>	<u>API</u>	<u>Facility ID</u>	<u>Location ID</u>	<u>Facility Name</u>	<u>QtrQtr</u>	<u>Sec</u>	<u>Twp</u>	<u>Rng</u>
	WELL	075-06160	219308	312187	KOENIG-ASHBY #3	L5NW	3	8N	54W
	<u>County</u>	<u>Min.Owner. Type</u>	<u>Current Operator Num</u>	<u>Current Operator Name</u>					
	LOGAN	FEE	20275	CORAL PRODUCTION CORP					
9	<u>Facility Type</u>	<u>API</u>	<u>Facility ID</u>	<u>Location ID</u>	<u>Facility Name</u>	<u>QtrQtr</u>	<u>Sec</u>	<u>Twp</u>	<u>Rng</u>
	WELL	075-06131	219282	312180	YENTER #A-7	L7NE	3	8N	54W

	<u>County</u>	<u>Min.Owner. Type</u>	<u>Current Operator Num</u>	<u>Current Operator Name</u>					
	LOGAN	FEE	20275	CORAL PRODUCTION CORP					
10	<u>Facility Type</u>	<u>API</u>	<u>Facility ID</u>	<u>Location ID</u>	<u>Facility Name</u>	<u>QtrQtr</u>	<u>Sec</u>	<u>Twp</u>	<u>Rng</u>
	LOCATION	-	312180	312180	YENTER-68N54W #3L7NE	L7NE	3	8N	54W
	<u>County</u>	<u>Min.Owner. Type</u>	<u>Current Operator Num</u>	<u>Current Operator Name</u>					
	LOGAN		20275	CORAL PRODUCTION CORP					
11	<u>Facility Type</u>	<u>API</u>	<u>Facility ID</u>	<u>Location ID</u>	<u>Facility Name</u>	<u>QtrQtr</u>	<u>Sec</u>	<u>Twp</u>	<u>Rng</u>
	LOCATION	-	473980	473980	YENTER WATER #3L7NE	NENE	3	8N	54W
	<u>County</u>	<u>Min.Owner. Type</u>	<u>Current Operator Num</u>	<u>Current Operator Name</u>					
	LOGAN		20275	CORAL PRODUCTION CORP					
12	<u>Facility Type</u>	<u>API</u>	<u>Facility ID</u>	<u>Location ID</u>	<u>Facility Name</u>	<u>QtrQtr</u>	<u>Sec</u>	<u>Twp</u>	<u>Rng</u>
	OFF-LOCATION FLOWLINE	-	473993	473980	KOENIGWL	NENE	3	8N	54W
	<u>County</u>	<u>Min.Owner. Type</u>	<u>Current Operator Num</u>	<u>Current Operator Name</u>					
	LOGAN		20275	CORAL PRODUCTION CORP					
13	<u>Facility Type</u>	<u>API</u>	<u>Facility ID</u>	<u>Location ID</u>	<u>Facility Name</u>	<u>QtrQtr</u>	<u>Sec</u>	<u>Twp</u>	<u>Rng</u>
	OFF-LOCATION FLOWLINE	-	473994	473980	ZIEGLERWL	NENE	3	8N	54W
	<u>County</u>	<u>Min.Owner. Type</u>	<u>Current Operator Num</u>	<u>Current Operator Name</u>					
	LOGAN		20275	CORAL PRODUCTION CORP					
14	<u>Facility Type</u>	<u>API</u>	<u>Facility ID</u>	<u>Location ID</u>	<u>Facility Name</u>	<u>QtrQtr</u>	<u>Sec</u>	<u>Twp</u>	<u>Rng</u>
	PIT	-	111993	312187	KOENIG-ASHBY A-3 #	NENW	3	8N	54W
	<u>County</u>	<u>Min.Owner. Type</u>	<u>Current Operator Num</u>	<u>Current Operator Name</u>					
	LOGAN		20275	CORAL PRODUCTION CORP					
15	<u>Facility Type</u>	<u>API</u>	<u>Facility ID</u>	<u>Location ID</u>	<u>Facility Name</u>	<u>QtrQtr</u>	<u>Sec</u>	<u>Twp</u>	<u>Rng</u>
	UIC DISPOSAL	-	150300	312180	YENTER DISPOSAL UNIT #	NWNE	3	8N	54W
	<u>County</u>	<u>Min.Owner. Type</u>	<u>Current Operator Num</u>	<u>Current Operator Name</u>					
	LOGAN		20275	CORAL PRODUCTION CORP					
16	<u>Facility Type</u>	<u>API</u>	<u>Facility ID</u>	<u>Location ID</u>	<u>Facility Name</u>	<u>QtrQtr</u>	<u>Sec</u>	<u>Twp</u>	<u>Rng</u>
	PIT	-	111992	473980	YENTER A-7 #	NWNE	3	8N	54W
	<u>County</u>	<u>Min.Owner. Type</u>	<u>Current Operator Num</u>	<u>Current Operator Name</u>					
	LOGAN		20275	CORAL PRODUCTION CORP					
17	<u>Facility Type</u>	<u>API</u>	<u>Facility ID</u>	<u>Location ID</u>	<u>Facility Name</u>	<u>QtrQtr</u>	<u>Sec</u>	<u>Twp</u>	<u>Rng</u>
	OFF-LOCATION FLOWLINE	-	473997	473986	ZIEGLER2	SENE	3	8N	54W
	<u>County</u>	<u>Min.Owner. Type</u>	<u>Current Operator Num</u>	<u>Current Operator Name</u>					
	LOGAN		20275	CORAL PRODUCTION CORP					

18	<u>Facility Type</u>	<u>API</u>	<u>Facility ID</u>	<u>Location ID</u>	<u>Facility Name</u>	<u>QtrQtr</u>	<u>Sec</u>	<u>Twp</u>	<u>Rng</u>
	OFF-LOCATION FLOWLINE	-	473998	473986	ZIEGLER5	SENE	3	8N	54W
	<u>County</u>	<u>Min.Owner. Type</u>	<u>Current Operator Num</u>	<u>Current Operator Name</u>					
	LOGAN		20275	CORAL PRODUCTION CORP					
19	<u>Facility Type</u>	<u>API</u>	<u>Facility ID</u>	<u>Location ID</u>	<u>Facility Name</u>	<u>QtrQtr</u>	<u>Sec</u>	<u>Twp</u>	<u>Rng</u>
	LOCATION	-	473986	473986	ZIEGLER A-68N54W #2L8NW	SENE	3	8N	54W
	<u>County</u>	<u>Min.Owner. Type</u>	<u>Current Operator Num</u>	<u>Current Operator Name</u>					
	LOGAN		20275	CORAL PRODUCTION CORP					
20	<u>Facility Type</u>	<u>API</u>	<u>Facility ID</u>	<u>Location ID</u>	<u>Facility Name</u>	<u>QtrQtr</u>	<u>Sec</u>	<u>Twp</u>	<u>Rng</u>
	OFF-LOCATION FLOWLINE	-	474000	473985	KOENIG	SWSW	34	9N	54W
	<u>County</u>	<u>Min.Owner. Type</u>	<u>Current Operator Num</u>	<u>Current Operator Name</u>					
	LOGAN		20275	CORAL PRODUCTION CORP					
21	<u>Facility Type</u>	<u>API</u>	<u>Facility ID</u>	<u>Location ID</u>	<u>Facility Name</u>	<u>QtrQtr</u>	<u>Sec</u>	<u>Twp</u>	<u>Rng</u>
	LOCATION	-	473985	473985	KOENIG-ASHBY-68N54W #3L5NW	SWSW	34	9N	54W
	<u>County</u>	<u>Min.Owner. Type</u>	<u>Current Operator Num</u>	<u>Current Operator Name</u>					
	LOGAN		20275	CORAL PRODUCTION CORP					
22	<u>Facility Type</u>	<u>API</u>	<u>Facility ID</u>	<u>Location ID</u>	<u>Facility Name</u>	<u>QtrQtr</u>	<u>Sec</u>	<u>Twp</u>	<u>Rng</u>
	LOCATION	-	388237	388237	YENTER A-68N54W #2L5NW	L5NW	2	8N	54W
	<u>County</u>	<u>Min.Owner. Type</u>	<u>Current Operator Num</u>	<u>Current Operator Name</u>					
	LOGAN		68050	PEASE OIL & GAS COMPANY					
23	<u>Facility Type</u>	<u>API</u>	<u>Facility ID</u>	<u>Location ID</u>	<u>Facility Name</u>	<u>QtrQtr</u>	<u>Sec</u>	<u>Twp</u>	<u>Rng</u>
	LOCATION	-	388241	388241	YENTER A-68N54W #2L5NW	L5NW	2	8N	54W
	<u>County</u>	<u>Min.Owner. Type</u>	<u>Current Operator Num</u>	<u>Current Operator Name</u>					
	LOGAN		68050	PEASE OIL & GAS COMPANY					
24	<u>Facility Type</u>	<u>API</u>	<u>Facility ID</u>	<u>Location ID</u>	<u>Facility Name</u>	<u>QtrQtr</u>	<u>Sec</u>	<u>Twp</u>	<u>Rng</u>
	LOCATION	-	312187	312187	KOENIG-ASHBY-68N54W #3L5NW	L5NW	3	8N	54W
	<u>County</u>	<u>Min.Owner. Type</u>	<u>Current Operator Num</u>	<u>Current Operator Name</u>					
	LOGAN		20275	CORAL PRODUCTION CORP					

Incidents Transferred Summary

< No row provided >

Related Wells & Facilities Not Transferred Summary

< No row provided >

Related Incidents Not Transferred Summary

1	<u>Document Numbers</u>	<u>Incident Type</u>	<u>Incident Date</u>	<u>Current Op #</u>	<u>Current Op. Name</u>	<u>Compl. Resp. Op #</u>	<u>Compl. Resp. Op. Name</u>
	402874903	UNRESOLVED NOTICES OF ALLEGED VIOLATION	12/01/2020	20275	CORAL PRODUCTION CORP		

Wells & Facilities Proposed Not Transferred Summary

< No row provided >

Incidents Proposed Not Transferred Summary

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Attachment List

<u>Att Doc Num</u>	<u>Name</u>
1310841	BUYER NOTIFIED LOCAL GOVT ATTESTATION
1585425	SELLER RETAINS RESPONSIBILITY ATTESTATION
402907307	Form 09 SUBMITTED
402909913	FORM 9 SUBSEQUENT ATTESTATION
403008988	EDD-S-WELLS-FACILITIES-TRANSFERRED
403016293	EDD-S-RELATED-INCIDENTS-NOT-TRAN

Total Attach: 6 Files

Condition of Approval

COA Type

Description

0 COA	

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Financial Assurance	Both operators have resolved all issues. Form 9 approved.	04/14/2022
Financial Assurance	4/08 Jim Wieger of Coral Prod. has indicated that the NOAV doc #402874903 has been resolved. Waiting on Enforcement to confirm.	04/08/2022
Financial Assurance	The NOAV that is listed in the Intent as a Related Incident - Not Proposed needs to also be listed in the Subsequent as a Related Incident - Not Transferred and a Seller Retains Responsibility Attestation needs to be submitted to the Subsequent documents.	03/31/2022
Financial Assurance	<p>I have reviewed the above captioned Form 9 transfer. Below is a list of items that will need to be corrected before the Form 9 can be approved.</p> <p>Problem 1: Both the Intent and the Subsequent listed the leases on their respective Wells and Facilities lists. The COGCC does not transfer leases. Solution 1: Since the Intent notifies the COGCC of a transfer and the subsequent is what actually transfers the items, please resubmit the Subsequent Wells and Facilities Transferred list omitting the leases from the list.</p> <p>Problem 2: The Buyer Notified Local Govt. Attestation is inadequate. Solution 2: Please resubmit the Buyer Notified Local Govt. Attestation using the attached guidance to revise the form. Please refer to page 6 of the guidance for information on revising the attestation. Local Government Designees (LGDs) for participating counties can be found here.</p> <p>Problem 3: I have identified five related Wells and Locations that were not accounted for in your transfer documentation. They are as follows: Locations with the following IDs - 312187, 388237, 388241 Wells with the following API, Facility ID and Location IDs – 075-06161, 319309, 388237 and 075-06166, 219312, 388241 Solution 3: The unaccounted for Wells and locations must be accounted for by one of the following ways: Solution 3a – Add the wells and locations to the Wells and Facilities Transferred list in the Subsequent. Solution 3b – Generate and submit a Related Wells and Facilities – Not Transferred List. If not transferring the wells and facilities, we will also need a Seller Retains Responsibility Attestation. Guidance for this attestation can also be found in the attachment.</p> <p>Problem 4: I have also identified one related incident not accounted for. The incident is an Unresolved Field Inspection with Corrective Action. Solution 4: The Unresolved Field Inspection with Corrective Action is document #693600475, dated 09/21/2021. The FIR with an outstanding corrective action is a transferable item that must be accounted for in the Form 9 in one or more of the following ways. 1.If the compliance responsibility for such an FIR transfers to the buyer include that FIR on a Related Incidents Transferred list. 2.If the compliance responsibility for such an FIR is retained by the seller include that FIR on a Related Incidents Not Transferred list and provide a Seller Retains Responsibility Attestation. If the parties perform the research and determine that all corrective actions for a particular FIR have been resolved, that FIR does not need to be listed on the Form 9 but will be subject to Rule 218.d(1)D.iii.</p>	03/31/2022

Total: 4 comment(s)