

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

IN THE MATTER OF THE PROMULGATION)
OF THE HEALTH, SAFETY AND WELFARE)
OF THE GENERAL PUBLIC OF THE STATE)
OF COLORADO)

CAUSE NO. 1

ORDER NO. 1-89

REPORT OF THE COMMISSION



This cause came on for hearing before the Commission on March 20, 1989 at 8:30 a.m. in Room 101, State Education Building, 201 East Colfax, Denver, Colorado after entering Emergency Order No. 1-85 on March 10, 1989 which ordered a hearing to be held in the matter of unauthorized boreholes which are not properly plugged and the hazard these holes present to the health, welfare and safety of the general public.

FINDINGS

The Commission finds as follows:

1. The Commission has jurisdiction over the subject matter of Emergency Order No. 1-85 and of the parties interested therein, and jurisdiction to promulgate the hereinafter prescribed order.

2. Wayne N. Allison, P.O. Box 12, Gunnison, Colorado is an interested party in the subject matter of the above-entitled hearing and was furnished a copy of Emergency Order No. 1-85 by Certified Mail on March 13, 1989.

3. That a child, Anna Giminaro, fell into a hole located in Section 7, Township 51 North, Range 6 West, N.M.P.M., Delta County, Colorado, which is the property of the Childress family. Miss Giminaro was rescued from the hole several hours later on March 7, 1989.

4. The Commission was advised of the above accident by Don Giminaro, Miss Giminaro's father, on March 10, 1989 and entered Emergency Order No. 1-85 on March 13, 1989.

5. Testimony was taken from Dennis R. Bicknell, Deputy Director, concerning a search of the files of the Commission which indicated only one active oil well, the Childress #1, operated by Wayne N. Allison, to be located in the NW1/4 NE1/4 Section 7, Township 51 North, Range 6 West, N.M.P.M. No other approved Application to Drill or abandoned oil wells were found for Section 7 or the surrounding sections in the Commission files.

6. Testimony was taken from Katy Templeton-Buell, Staff Engineer for the Commission, concerning field investigations conducted in the area around Section 7 and the surrounding area during the week of March 13, 1989. By means of a map, Exhibit A, and photographs, several more boreholes were located which were not properly plugged. She further testified that several landowners indicated the boreholes were drilled by Wayne N. Allison.

7. Testimony was taken from Donald William McCaw, Water Well Inspector, Colorado Division of Water Resources, concerning field investigations conducted in the area around Section 7 on March 16 and 17, 1989. He indicated measurements were made of various boreholes including the depth and diameter. Some of his investigation was done in conjunction with Ms. Templeton-Buell.

8. Testimony was taken from Robert Longenbaugh, Assistant State Engineer, Division of Water Resources, concerning a record search of the files of the State Engineer. He presented an affidavit, Exhibit B, summarizing permits, applications and test hole notifications on file. There were no filings for some of the boreholes found by Mr. McCaw and Ms. Templeton-Buell.



9. Testimony was taken from Wayne N. Allison concerning his drilling activities in the area of said Section 7. He indicated he was told to permit his boreholes as water wells or test holes by the Commission some years ago, but he was searching for oil. He presented an affidavit from Ralph V. Kelling attesting to his drilling activities. Mr. Allison agreed to cooperate with both state agencies to locate the wells, ascertain their construction, undertake to properly plug the wells at his own expense as directed by the appropriate agency, make any necessary filings, take immediate steps to cover any boreholes, and to obtain the appropriate permit for any future boreholes.

O R D E R

NOW, THEREFORE, IT IS ORDERED, that Wayne N. Allison will do the following:

1. Prior to the entry date of this order allow access to his records by both the Oil and Gas Conservation Commission and the Division of Water Resources (both agencies) for the purpose of determining the location of boreholes and their construction in areas around said section 7 in Delta and Montrose Counties, Colorado.

2. Prior to the entry date of this order, take steps to cover and secure by fencing any boreholes at the surface in this area by May 1, 1989.

3. Mr. Allison will identify to both agencies which boreholes were drilled for oil and which for water. If there is disagreement between the agency representatives and Mr Allison as to the well category, the well will be considered to be an oil exploration hole.

4. Mr. Allison will have items 1, 2 and 3 herein above completed by May 1, 1989.

5. Mr. Allison will plug and abandon all holes or wells in accordance with the appropriate plugging and abandonment procedures described in each agency's rules.

6. Mr. Allison will perform all work required at his own expense. He will notify the appropriate agency or person who may be designated seventy-two (72) hours prior to performing any plugging operation on any well. All work will be completed as soon as possible, with consideration given to the terrain and weather and in no instance shall it be later than August 1, 1989.

7. Mr. Allison will file written reports for all work done with the appropriate agency.

IT IS FURTHER ORDERED, that Mr. Allison will apply for and obtain the proper permit from the appropriate agency prior to any future drilling, depending upon his intent to search for oil or drill a water well.

IT IS FURTHER ORDERED, that this matter be continued until such time as a report is made to the Oil and Gas Conservation Commission at a public hearing.

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.

ENTERED this -third - day of April,
1989, as of March 20, 1989.

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO

By Dennis R. Bicknell
Dennis R. Bicknell, Secretary