

A home exploded at Bondad Hill, Colorado. The investigation showed that methane gas leaking from petroleum industry wells was to blame

COGCC seeks aid in dealing with wells

State agency to ask Legislature for \$800K in emergency funding

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DENVER - The agency in charge of cleaning up after a Bondad gas explosion will ask the Legislature for \$800,000 in emergency funding to plug an abandoned well and deal with a worsening methane seep.

"Holy mackerel, this is an expensive proposition," said Samuel Potter, who sits on the Colorado Oil and Gas Conservation Commission.

The price tag could climb an additional \$750,000 if the commission decides it needs to buy out area property owners to ensure public safety.

A trailer home exploded at Bondad Hill in February, and the investigation showed that methane gas leaking from underground reservoirs was to blame.

Speculation immediately centered on a well drilled and abandoned before 1942 named Nick Spatter Bryce Farms No. 1. The COGCC made several attempts to plug that well over the decades, and finally succeeded in 1994.

The current investigation uncovered another Spatter well - the Bryce 1-X - about 15 feet from the first well. The 1-X was buried when inspectors finally found it this summer, although the COGCC has on file an inspection report of the well from 1998.

"We've had to do some detective work," said David Dillon, the COGCC's deputy director of operations. "We're pretty confident now that this well we have uncovered is the 1-X."

That well is leaking gas from the Fruitland Coal formation - the same place tapped by La Plata County's coal-bed methane wells. The leak started almost 70 years ago, and nearby residents have long complained about methane pollution in their water wells.

The gas commission hired a consultant to measure methane in the soil at 150 different points every few months since the explosion.

"One of the disturbing things is we're starting to see some high concentrations further east where we haven't seen them before," said Debbie Baldwin, a COGCC environmental specialist who has been actively involved in the cleanup.

The latest methane gas survey showed that although the overall size of the gas seep hasn't changed much, methane concentrations have intensified around some nearby homes, the abandoned wells and a modern well owned by Petrogulf Corp.

"That wasn't good news," Baldwin said.

Some detectors - planted 3 feet deep - registered nearly 100 percent methane in the soil.

The high methane concentrations caused a harrowing experience for the last crew that tried to excavate the Bryce 1-X well this year.

"There was so much gas seeping up around the well that the whole pit was on fire. It was very dangerous," Baldwin said. "We had the situation under control. But we needed a different plan."

The gas commission has notified the Colorado Department of Transportation about the leak, which extends under U.S. Highway 550. CDOT doesn't have any immediate plans to deal with the situation, spokeswoman Nancy Shanks said. But a future project will widen the highway from Durango to the New Mexico border.

Baldwin and the COGCC staff had originally requested \$1.4 million, including \$750,000 to buy the affected properties and move neighbors away. But the commissioners decided to wait to see if such a drastic move was necessary.

"I'm not wild about getting into the real-estate business," Potter said.

Two of the affected neighbors have moved, but one person is still living in the area.

"I do think you could live safely on this piece of property," Baldwin said - as long as the methane detectors remain installed and COGCC inspectors have access to the land.

Commissioners - most of whom are experienced in the oil and gas industry - also added \$150,000 to the drilling budget because they worried about cost overruns on the complicated project.

The request will go to the Legislature's Joint Budget Committee. With the JBC's approval, the state controller can immediately free up funds for the cleanup.

But the project still faces red tape. Baldwin worries that the COGCC will have to put it out for a competitive bid. That requirement, plus the shortage of drilling rigs caused by the Rocky Mountain gas boom, means it could be months before a rig is available to re-enter the Bryce 1-X.

"Gas is leaking and encroaching on people's homes. Clearly, something needs to be done about it," said Peter Mueller, the commission's chairman. "If somebody got hurt and we're waiting on paperwork, that's a horrible thing to have to wait through."

Petrogulf, which owns the closest operating well to the abandoned Spatter wells, bought the property of Charles Yoakum, who was injured in the explosion. The COGCC is talking about reimbursing Petrogulf for the expense.

"I talked to (Yoakum), and I think he feels he's been treated fairly," Baldwin said. "His health still isn't perfect, but he's much better than he was."

Baldwin has declined to say where Yoakum is living.

This is the COGCC's second emergency funding request. The Legislature approved \$200,000 in emergency spending shortly after the February explosion. The final price tag could exceed \$1.5 million if the state decides to buy out neighboring landowners.

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