

Mark K. Boling General Counsel

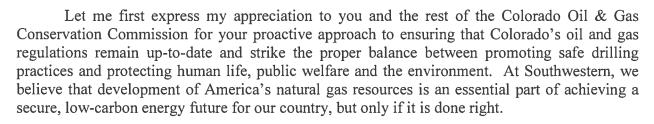
October 5, 2012

Mr. Matthew Lepore Colorado Oil & Gas Conservation Commission 1120 Lincoln Street, Suite 801 Denver, Colorado 80203

Re:

Setback Rulemaking

Dear Mr. Lepore:



In reviewing the proposed setback rule changes, it was brought to my attention that a potential loophole exists in Rule 602 that could negatively impact the goal of the setback rule if it is not addressed. The problem arises from the language in Rule 602(d) that provides that: "Existing wells are exempt from the provisions of these regulations as they relate to the location of the well." While the intent of this provision is clear (i.e. wells drilled prior to the effective date of the new setback rules will not be out of compliance due to the new setbacks), the language could have unintended consequences if it is not clarified.

The "unintended consequences" I am referring to is an interpretation that the Rule 602(d) exclusionary language could permit an operator to reenter any such "existing well" and recomplete, deepen or plug back the well without complying with the new setback rule. Since there are a significant number of wells in Colorado that would qualify as "existing wells" (both active and abandoned), it would seem that clarifying language should be added to Rule 602(d) to ensure that the purpose of the setback requirement is not circumvented by an overly aggressive interpretation of Rule 602(d).

If you have any questions concerning any of the above, please feel free to contact me at 281.618.4806 or mboling@swn.com.

Very truly yours,

Mark K. Boling

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