



INSTRUCTIONS FOR CERTIFICATE OF DEPOSIT PLACED WITH THE COMMISSION AS FINANCIAL ASSURANCE PUBLIC FUNDS ACCOUNT

A Certificate of Deposit (CD) may be used as a type of financial assurance placed with the Colorado Oil And Gas Conservation Commission (COGCC) to ensure that funds will be available to cover the costs of plugging and abandonment of wells and associated facilities operated in the State of Colorado by the Depositor. The Operator/Company deposits money with an Approved Public Depository Bank that provides the Commission with a Certificate of Deposit and proof of restriction showing CD funds secured. All CD accounts must be open in Colorado. The following criteria shall be met:

1. Application will be made to **Division of Banking for Operator/Company Public Deposit Protection Act (PDPA) Number** for funds placed with **Commercial Banks** (application and list of eligible banks can be found at http://www.dora.state.co.us/pls/real/bidS_Search.Search_Page). At the “Institution Type” dropdown menu select “PDPA Eligible Depositories” and search). Operator must notify Bank and Commission of PDPA Number.
2. **Savings and Loan Associations** and **Savings Banks** are also Approved Public Depository Banks (list of eligible banks can be found at <http://cdn.colorado.gov/cs/Satellite/DORA-DFS/CBON/DORA/1251627391393>). Application for PDPA Number **not** required.
3. CD will be set up as a **Public Funds Account** (shown on CD along with PDPA Number, if applicable, and on the Signature Card).
4. CD’s must be made out to the “**Operator/Company Name For Benefit Of (FBO) Colorado Oil & Gas Conservation Commission**” or Vice Versa.
5. CD will be issued on an **Automatically Renewing Term**.
6. **Interest disbursed on the CD belongs to the Operator/Company**, therefore taxpayer identification or social security number on the CD or Form W-9 will be that of the Operator/Company’s.
7. **In the case of forfeiture, the COGCC will claim both the principal and any undisbursed accrued interest per the COGCC Policy for Financial Assurance Forfeiture (revised August, 2014).**
8. **Authority to access CD funds, and account verification from the bank will be right of the COGCC without Operator/Company signature or approval. Additionally, CD will not be redeemed or replaced without written approval from the COGCC. A letter or computer printout can be submitted as proof of restriction on CD funds.**
9. **Original Certificate of Deposit, proof of restriction on CD funds, and a copy of signature card (if applicable) will be submitted to the COGCC for safekeeping and tracking purposes.**
10. For informational purposes the Bank, as Financial Assurance Provider, should complete and return a **COGCC Form 1 (Registration For Oil And Gas Operations)**.

Should you have any questions regarding the issuance of the Certificate of Deposit placed as financial assurance, please contact Deborah Lutz, Financial Assurance Analyst at 303-894-2100 ext 5185 or Martha Ramos, Financial Assurance Supervisor at 303-894-2100 ext 5123.
Revised 8/5/2014

