

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

IN THE MATTER OF ALLEGED VIOLATIONS OF THE RULES	)	CAUSE NO. 1V
AND REGULATIONS OF THE COLORADO OIL AND GAS	)	
CONSERVATION COMMISSION BY <b>PREMIER OIL &amp; GAS, INC.</b> ,	)	ORDER NO. 1V-362
JEFFERSON COUNTY, COLORADO	)	

**APPLICATION FOR MODIFICATION TO ORDER NO. 1V-362**

Melvin Lloyd Richards and Allen Stout ("Payees"), by and through their attorneys, Grant, Hoffman & Kamada, P.C., on behalf of Premiere Oil & Gas, Inc., a Nevada Corporation, respectfully submit this Application for Modification to Order No. 1V-362 (the "Original Order") to the Colorado Oil and Gas Conservation Commission ("Commission"), for an order that upon payment of \$65,000.00 by Payees to the Commission, Payees shall be relieved of any and all burdens placed upon them by the Original Order.

**BACKGROUND**

1. Payees are natural persons adversely affected by Order No. 1V-362.
2. On December 24, 2009, Commission Staff issued Notice of Alleged Violation ("NOAV") #1769738 against Premier. The NOAV alleged violations of the Commission Rules and Regulations, 2 Code Colo. Regs. 404-1 ("Commission Rules") arising out of Premier's operation of the Church Ranch #1W Well (API No. 05-059-06026), which is located in the NW¼ SW¼ of Section 9, Township 2 South, Range 70 West, 6<sup>th</sup> P.M.
3. On January 13, 2011, the NOAV came before the Commission for an adjudicatory hearing for the entry of an Order Finding Violation ("OFV") of the Commission Rules at issue in the NOAV. Neither Premier nor Payees, appeared for the OFV hearing to present a defense to the alleged violations. At the conclusion of the adjudicatory hearing, the Commission entered Order No. 1V-362.
4. The Original Order, among other things, assessed fines in the amount of \$65,000 against Premier and provided:

Until any fine assessed under this action is paid in full and all required abatement and corrective actions are performed by Premier for the Well, the Director should not approve any application for permit-to-drill, any Certificate of Clearance and/or Change of Operator, Form 10, or other permit for conducting oil and gas operations for Premier or any entity of which Allen Stout or Melvin Richards are principals, majority owners, operational or general managers, or in which Mr. Stout or Mr. Richards otherwise exercise control.

Original Order, ¶ 10.

5. In 2012, Ranchers Exploration Partners, LLC ("Ranchers"), sought Commission approval for four (4) Permits-to-Drill, described as River West 2 APD #400307937, River West 3 APD # 400308004, River West 4 APD #400308004, and River West 2-4 OGLA Form 2A #400307941 (the "Applications"). In its letter dated March 13, 2013, the Commission withheld the Applications because it believes Payees are principals, majority owners, operational or general managers, or otherwise exercise control of Ranchers. Therefore, the Commission, pursuant to the Original Order, withheld approval of the Applications on March 13, 2013. Payees vehemently deny they are principals, majority owners, operational or general managers of Ranchers, or exercise control over Ranchers.

6. On July 29, 2013, Payees by and through counsel, proposed an Amended Order to the Commission amending the Original Order based upon Premier seeking protection under the Bankruptcy Code. On that same day, the Commission rejected the proposed Amended Order.

7. Pursuant to C.R.S. § 34-60-108, Payees submit their Application for Modification to Commission Order 1V-362. Pursuant to Rule 503, Payees allege that upon payment of the \$65,000.00 the Original Order will have been satisfied in full and any burden negatively affecting Payees therefrom should be removed.

WHEREFORE, Payees respectfully request this matter be set for hearing, that notice be given as required by law and that upon such hearing the Commission modifies its Order No. 1V-362:

A. Modifies Order No. 1V-362 that payment of \$65,000.00 by Payees shall satisfy in full the Original Order.

B. Modifies Order No 1V-362 that after payment of \$65,000.00, Payees or any entity of which they are principals, majority owners, operational or general managers, or otherwise exercise control, including Ranchers may apply for and receive Permits-to-Drill despite Premier's violations and subsequent fines as contained in the Original Order.

C. For such other findings and orders as the Commission may deem proper or advisable in the premises.

Dated this 26th day of August, 2013.

Respectfully Submitted

Melvin Lloyd Richards

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By:



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