

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

IN THE MATTER OF ALLEGED VIOLATIONS OF THE	)	CAUSE NO. 1V
RULES AND REGULATIONS OF THE COLORADO OIL	)	
AND GAS CONSERVATION COMMISSION BY	)	DOCKET NO. 0603-OV-06
<b>PLAINVIEW OIL &amp; GAS, INC.,</b>	)	
JEFFERSON COUNTY, COLORADO	)	

NOTICE OF ADMINISTRATIVE ORDER BY CONSENT

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

On September 15, 2000, the Colorado Oil and Gas Conservation Commission ("COGCC") approved an Application for Permit-to-Drill ("APD") for Plainview Oil & Gas, Inc. ("Plainview") for the State #16-4 Well ("the Well") located in the NW¼ NW¼ of Section 16, Township 2 South, Range 70 West, 6<sup>th</sup> P.M. The Well was permitted with the Lyons Sandstone as the objective formation with a proposed total depth of 11,000 feet. The APD for the Well had an expiration date of September 14, 2001.

On September 4, 2001, Plainview set thirty-one (31) feet of conductor pipe in the Well and suspended operations. The well pad and drilling pits were not built prior to this operation.

On August 5, 2004, Plainview began operations with a typical oil and gas well drilling rig. By this date, a typical oil and gas well pad, including drilling pits, had been built.

On August 15, 2004, the Well was plugged and abandoned after drilling to a total depth of 3,000 feet. At a total depth of 3,000 feet, the Well was still in the Pierre Shale Formation.

A Notice of Alleged Violation ("NOAV") was issued for the Well on October 13, 2005, for violation of Rule 603.j., statewide equipment, weeds, waste, and trash requirements, Rule 1002.c., protection of soils, Rule 1002.e., surface disturbance minimization, Rule 1003.b., interim reclamation of areas no longer in use, Rule 1003.d., drilling pit closure, and Rule 1003.f., weed control. The NOAV described the alleged violations as "Existing reserve pit remains open in violation of COGCC rules requiring reclamation of drilling/reserve pit on non-crop land within 12 months of ceasing drilling operations" and "Failure to control noxious weeds and maintaining well site to control erosion". The NOAV required that Plainview complete closure of the reserve pit, maintain weed control, and maintain erosion control under applicable COGCC rules. The NOAV had an abatement date of December 12, 2005.

On December 13, 2005, COGCC staff inspected the Well and found that none of the alleged violations had been abated by Plainview.

In accordance with Rule 523.c., Rule 603. specifies a base fine of One Thousand dollars (\$1,000) per day for each violation of Rule 603. Rule 1002. specifies a base fine of One Thousand dollars (\$1,000) per day for each violation of Rule 1002. Rule 1003. specifies a base fine of One Thousand dollars (\$1,000) per day for each violation of Rule 1003.

A monetary penalty of Three Thousand dollars (\$3,000.00) should be assessed against Plainview Oil & Gas, Inc., in accordance with Rule 523.c., for violation of Rule 603.j., Rule 1002.c., Rule 1002.e., Rule 1003.b., Rule 1003.d., and Rule 1003.f.

On December 20, 2005, COGCC staff issued an Administrative Order by Consent ("AOC") to Plainview Oil & Gas, Inc. for violation of Rule 603.j., statewide equipment, weeds, waste, and trash requirements, Rule 1002.c., protection of soils, Rule 1002.e., surface disturbance minimization, Rule 1003.b., interim reclamation of areas no longer in use, Rule 1003.d., drilling pit closure, and Rule 1003.f., weed control, for the State #16-4 Well located in the NW¼ NW¼ of Section 16, Township 2 South, Range 70 West, 6<sup>th</sup> P.M., proposing a fine of Three Thousand dollars (\$3,000.00) for violation of the rules. On December 28, 2005, Plainview Oil & Gas, Inc. agreed to and accepted the AOC, including the fine of Three Thousand dollars (\$3,000.00).

NOTICE IS HEREBY GIVEN, that the Oil and Gas Conservation Commission of the State of Colorado, pursuant to the above, has scheduled the above-entitled matter for

hearing on:

Date: Monday, March 20, 2006  
Tuesday, March 21, 2006

Time: 8:30 a.m.

Place: Ramada Inn & Suites  
Aspen and Birch Rooms  
124 West 6<sup>th</sup> Street  
Glenwood Springs, CO 81601

In accordance with the Americans with Disabilities Act, if any party requires special accommodations as a result of a disability for this hearing, please contact Margaret Humecki at (303) 894-2100 ext. 139, prior to the hearing and arrangements will be made.

Pursuant to said hearing in the above-entitled matter at the time and place aforesaid, or at any adjourned meeting, the Commission will enter such orders as it deems appropriate to protect the health, safety and welfare of the public and to prevent the waste of oil and gas, either or both, in the operations of said field, and to carry out the purposes of the statute.

**In accordance with Rule 509., any interested party desiring to protest the granting of the application or to intervene on the application should file with the Commission a written protest or intervention no later than March 6, 2006, briefly stating the basis of the protest or intervention.** Such interested party shall, at the same time, serve a copy of the protest or intervention to the person filing the application. An original and nine (9) copies shall be filed with the Commission (Rule 503.). **Anyone who files a protest or intervention must be able to participate in a prehearing conference during the week of March 6, 2006.** Pursuant to Rule 503.e., if a party who has received notice under Rule 503.b. wishes to receive further pleadings in the above-referenced matter, that party must file a protest or intervention in accordance with these rules.

IN THE NAME OF THE STATE OF COLORADO

OIL AND GAS CONSERVATION COMMISSION  
OF THE STATE OF COLORADO

By \_\_\_\_\_  
Patricia C. Beaver, Secretary

Dated at Suite 801  
1120 Lincoln Street  
Denver, Colorado 80203  
February 17, 2006