

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

IN THE MATTER OF ALLEGED VIOLATIONS OF) CAUSE NO. 1V
THE RULES AND REGULATIONS OF THE COLORADO)
OIL AND GAS CONSERVATION COMMISSION BY) DOCKET NO. 1109-OV-29
S&S OIL & GAS OPERATING, BACA COUNTY, COLORADO)

NOTICE OF ORDER FINDING PATTERN OF VIOLATION HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

Pursuant to Rule 522.c., the Colorado Oil and Gas Conservation Commission (“Commission” or “COGCC”) Staff will apply to the Commission at its September 19, 2011 hearing for an Order Finding Pattern of Violation Hearing against S&S Oil & Gas Operating (“S&S”) (Operator #10114).

On August 8, 2011, the Commission issued Order No. 1V-379 finding that it had committed numerous rule violations at certain wells and for its general operations and imposed fines for those violations as compiled below:

Well Name/Number	Rule Violations	Fines Imposed
TSRU #203	309., 319.b.(3), 319.b.(4), 326.b.(1), and 603.j.	\$50,000
Tanner SECU #401	309., 319.b.(3) and 326.b.(1)	\$30,000
Tanner SECU #901	309., 319.b.(3) and 326.b.(1)	\$30,000
TSRU #801	309., 319.b.(3) and 326.b.(1)	\$30,000
Tanner SEC REC Unit #501	210.b.(1), 309., 319.b.(3), 326.b.(1), 906.a., and 906.e.(1)	\$60,000
TSRU #206W	309., 319.b.(3) and 405.b.	\$30,000
TSRU #204W	309., 319.b.(3), 326.d., and 405.b.	\$40,000
TSRU #1001W	309., 319.b.(3) and 405.b.	\$30,000
TSRU #601W	309., 319.b.(3) and 405.b.	\$30,000
TSRU #701W	309., 319.b.(3) and 405.b.	\$30,000
General operations	706. and 707.	\$20,000
	Total Imposed Fines	\$380,000

Rule 525.b. provides that whenever the Commission or the Director has evidence that an operator is responsible for a pattern of violation of any provision of the Oil and Gas Conservation Act (§34-60-101, *et seq.*) (the “Act”), or of any rule, permit or order of the Commission, the Director shall issue a notice to the operator to appear for a hearing before the Commission. If the Commission finds after such hearing, that a knowing and willful pattern of violation exists, it may issue an order which shall prohibit the issuance of any new permits to the operator.

The COGCC staff requests that the Commission should find that a knowing and willful pattern of violation exists because S&S has failed, for more than one year, to perform the abatement and corrective actions required by various Notices of Alleged Violation (“NOAVs”). Until the fine assessed under Order No. 1V-379 is paid in full and all required abatement and corrective actions are performed by S&S, 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 S&S or any entity of which J.R. Sorrels is a principal, majority owner, operational or general manager, or in which Mr. Sorrels otherwise exercises control.

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, September 19, 2011
Tuesday, September 20, 2011

Time: 9:00 a.m.

Place: City & County of Broomfield
City & County Building – Council Chambers
One DesCombes Drive
Broomfield, Colorado 80020

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. 5139, 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 September 2, 2011, 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 13 copies shall be filed with the Commission. Anyone who files a protest or intervention must be able to participate in a prehearing conference during the week of September 2, 2011.

IN THE NAME OF THE STATE OF COLORADO

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO

By 
Robert A. Willis, Enforcement Officer

Dated at Suite 801
1120 Lincoln Street
Denver, Colorado 80203
August 23, 2011

S&S Oil & Gas Operating Address of Record:
S&S Oil & Gas Operating
Attn: J.R. Sorrels
107 N 4th, Suite 209
Ponca City, OK 74601