

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 NOBLE |) | DOCKET NO. 1208-OV-08 |
| ENERGY, INC. , GARFIELD AND WELD COUNTIES, |) | |
| COLORADO |) | |

NOTICE OF HEARING ON ADMINISTRATIVE ORDER BY CONSENT

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 on August 20, 2012 for an Administrative Order by Consent ("AOC") with Noble Energy, Inc., ("Noble").

Rule 607.c. requires any gas analysis indicating the presence of hydrogen sulfide ("H₂S") gas shall be reported to the Commission and the local governmental designee ("LGD"). In 2009, 2010, and the first six months of 2011, Noble collected H₂S information from a variety of different sources in the Parachute Field, Garfield County, using different types of tests, including Draeger tubes and gas chromatograph analysis. These tests indicated the presence of H₂S. In March 2009, Noble advised the COGCC and Bureau of Land Management ("BLM") that it had encountered H₂S. Noble did not report the test results to the LGD for Garfield County.

At various times during the first eight months of 2011, Noble collected H₂S information from a variety of different sources in the Grover Field, Weld County, using different types of tests, including Draeger tubes and gas chromatograph analysis. These tests indicated the presence of H₂S. On October 3, 2011, Noble advised the COGCC that it had encountered H₂S. On October 18, 2011, Noble reported the test results to the LGD for Weld County. The test results were not reported to the COGCC when Noble first became aware of the presence of H₂S in March 2011.

On October 7, 2011, COGCC Staff issued Notice of Alleged Violation ("NOAV") #01726642 to Noble, citing a violation of Rule 607.c. on the below-described lands in the Parachute Field, Garfield County, where H₂S was found to be present:

Township 7 South, Range 94 West, 6th P.M.
Sections 5, 8 and 17

Township 7 South, Range 95 West, 6th P.M.
Sections 26, 34, 35 and 36

Township 7 South, Range 96 West, 6th P.M.
Sections 26 and 35

Township 8 South, Range 95 West, 6th P.M.
Section 1, 2, 3 and 15

On October 7, 2011, COGCC Staff issued Notice of Alleged Violation ("NOAV") #01726643 to Noble, citing a violation of Rule 607.c. for their operation of wells in the Grover Field, Weld County, located in Townships 10, 11, and 12 North, Range 61 West, 6th P.M., where H₂S was found to be present.

Rule 523.c. specifies a base fine of One Thousand dollars (\$1,000) per day for violations of Rule 607.c. Rule 523.a.(3). specifies that "the maximum penalty for any single violation shall not exceed Ten Thousand dollars (\$10,000) regardless of the number of days of such violation," unless the violation results in significant waste of oil and gas resources, damage to correlative rights, or a significant adverse impact on public health, safety or welfare or the environment. Staff does not allege that the violation of Rule 607.c resulted in significant adverse effect on public health, safety or welfare or the environment occurred due to lack of reporting to any local government designee.

COGCC Staff requests that Noble be found in violation of Rule 607.c. for its operation

of the above-described lands.

NOTICE IS HEREBY GIVEN, pursuant to: 1) the general jurisdiction granted to the Oil and Gas Conservation Commission of the State of Colorado (Commission) under § 34-60-105 C.R.S.; 2) specific powers granted pursuant to § 34-60-106 C.R.S.; 3) the Colorado Administrative Procedures Act at § 24-4-105 C.R.S.; and 4) the Commission's Series 500 Rules at 2CCR 404-1, that the Commission has scheduled the above-entitled matter for hearing on:

Date: Monday, August 20, 2012
Tuesday, August 21, 2012

Time: 9:00 a.m.

Place: COGCC Offices
1120 Lincoln Street, Suite 801
Denver, Colorado 80203

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 August 6, 2012, 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 August 6, 2012** Pursuant to Rule 503.g., 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 
Robert J. Frick, Secretary

Dated at Suite 801
1120 Lincoln Street
Denver, Colorado 80203
July 25, 2012

Attorney for Noble Energy, Inc.:
Michael Wozniak
Beatty & Wozniak, P.C.
216 16th Street, Suite 1100
Denver, Colorado 80202