

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 GEOKINETICS)	DOCKET NO. 1301-OV-01
USA INC., WELD COUNTY, COLORADO)	

NOTICE OF ORDER FINDING 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 January 7-8, 2013 hearing for an Order Finding Violation ("OFV") against Geokinetics USA Inc. ("Geokinetics") (Operator No. 10278).

On or about January 6, 2011, Geokinetics initiated a seismic shoot for certain lands in Weld County (COGCC Project No. 5878). Geokinetics failed to obtain an approved Form 20, Notice of Intent to Conduct Seismic Operations prior to initiating the shoot.

On July 22, 2012, Geokinetics, by its contractor, Brian Baumgartner of Cougar Land Services, LLC for Geokinetics, filed Form 20 with a commencement date of January 6, 2011.

On August 5, 2011, COGCC Staff issued Notice of Alleged Violation No. 200317157 ("NOAV") to Geokinetics for its operations on certain lands in Weld County. Said NOAV cited a violation for COGCC Rule 333.a., which provides in pertinent part:

Seismic operations require an approved Form 20 [Notice of Intent to Conduct Seismic Operations] which shall be submitted to the Director prior to commencement of shothole drilling or recording operations. An informational copy of the Form 20 shall be filed by the operator with the local governmental designee at or before the time of filing with the Director.

The NOAV required Geokinetics to file a Form 20, provide a statement to the Director explaining how the seismic work started without the filing of a Form 20, and explain what steps will be taken by Geokinetics to ensure future compliance. The abatement and corrective actions were to be complied with by August 15, 2011.

Rule 523. specifies a base fine of One Thousand dollars (\$1,000) for each day of violation of Rule 333.a. 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 resulted 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 alleges Geokinetics violated **Rule 333.a.** because it failed to file a Form 20 prior to commencing seismic work on certain lands in Weld County. Staff has calculated a base fine of **Ten Thousand dollars (\$10,000)** for the violation of Rule 333.a.

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, January 7, 2013
Tuesday, January 8, 2013

Time: 9:00 a.m.

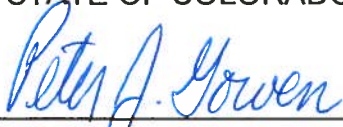
Place: Colorado Oil and Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, Colorado 80203

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 December 18, 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 Geokinetics. 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 December 17, 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.

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO

By 
for Robert J. Frick, Secretary

Dated: November 21, 2012

Colorado Oil and Gas Conservation Commission
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