

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)	DOCKET NO. 1404-OV-07
COMMISSION BY MAGPIE OPERATING, INC. , IN)	
WASHINGTON 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 March 17-18, 2014 hearing for an Order Finding Violation ("OFV") against Magpie Operating, Inc. ("Magpie") (Operator No. 52530).

Magpie is the operator of the Little Beaver Unit #30 (API No. 05-121-06251) in Washington County, located at SW¼ SE¼, Section 32, Township 1 South, Range 56 West, 6th P.M..

On 10/14/2013 and 11/7/2013, respectively, COGCC Staff received complaints from a landowner (Doc. No. 200388345) and tenant farmer (Doc. No. 2003898278) about oily waste spread in their agricultural field.

COGCC Staff conducted inspections on 10/14/2013 and 12/19/2013 in response to these complaints. During the 12/19/2013 inspection, Staff collected soil samples and confirmed the samples exceeded Table 910-1 concentrations for TPH/organic compounds, arsenic, and pH. The oily waste was estimated to be one foot deep and covered an area approximately 75' x 120' (333 cubic yards). In addition, there was a smaller impacted area south of the waste that did not support vegetation.

COGCC Staff submitted the 10/14/13 Unsatisfactory Inspection Report to Magpie. Staff required Magpie to file a Form 42 (Notice of Notification) when the corrective actions required by the field inspection were completed, and indicated a follow-up inspection was necessary. COGCC Staff issued a "Violation" Field Inspection Report on 12/19/2013 upon finding Magpie had not initiated corrective action.

On December 23, 2013, COGCC Staff issued Notice of Alleged Violation ("NOAV") No. 200389384 for violations at Little Beaver Unit #30 well. The NOAV cited violations of the following COGCC Rules of Practice and Procedure, 2 CCR 404-1 ("Rule" or "Rules"):

- a. Rule 324A.a (Pollution)

- b. Rule 906.a (Spills and Releases)
- c. Rule 906.b. (Reportable Spills and Reporting Requirements)
- d. Rule 906.c. (Surface Owner Notification and Consultation)
- e. Rule 906.d. (Remediation of Spills/Releases)
- f. Rule 906.e.2 (Spill/Release Evaluation)
- g. 907.a. (Management of E & P Waste, Operator Obligations)
- h. Rule 907.b. (Management of E & P Waste, Waste Transportation)
- i. Rule 907.e. (Management of E & P Waste, Oily Waste)
- j. Rule 909.b. (General Site Investigation and Remediation Requirements)
- k. Rule 909.c. (Site Investigation and Remediation Workplan, Form 27)
- l. Rule 910 (Concentrations and Sampling for Soil and Ground Water)

COGCC staff requests that Magpie Operating be found in violation of rules cited above and assessed a penalty pursuant to Rule 523.

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, April 28, 2014
Tuesday, April 29, 2014

Time: 9:00 a.m.

Place: COGCC Main Office
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 April 14, 2014, briefly stating the basis of the protest or intervention. An original and two copies shall be filed with the Commission along with an electronic version. 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  _____

Robert J. Frick, Secretary

Dated: February 18, 2014

Colorado Oil and Gas Conservation Commission
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