



DEPARTMENT OF NATURAL RESOURCES

*Bill Ritter, Governor*

P.O. Box 2651

Durango, CO 81302

Phone: (970) 259-1619

FAX: (970) 259-9128

[www.colorado.gov/cogcc](http://www.colorado.gov/cogcc)

September 1, 2009

CERTIFIED MAIL RETURN RECEIPT REQUESTED  
7007 0710 0005 4318 9141

Mr. A.H. O'Hare  
Maralex Resources, Inc.  
P.O. Box 338  
Ignacio, CO 81137

RE: Notice of Alleged Violation #200217498  
Inspection #200217439  
Keegan Patrick 33-7-11 #3C (05-067-09631)  
NWSW Sec.11 T33N R7W  
La Plata County, Colorado

Dear Mr. O'Hare:

The Colorado Oil and Gas Conservation Commission (COGCC) is issuing a Notice of Alleged Violation (NOAV) to Maralex Resources, Inc. (Maralex) in response to conditions observed at the Keegan Patrick 33-7-11 #2C well site on August 27, 2009. During the permitting process associated with this well, special Conditions of Approval (COAs) were required due to historic damages inflicted on an adjacent landowner's domestic water well by a prior drilling pit at this location. One of those COAs (#4) required that the **"pit liner and all contents shall be removed once drilling operations are complete"**. COGCC staff performed a field inspection with Ms. Christi Reid of Maralex on January 8, 2009 at which time the drilling operations were complete. Pit contents were frozen at this time, but staff encouraged Maralex to pursue pit closure as soon as conditions allowed. This is documented in the January field inspection report provided in Attachment 1. During a follow-up field inspection on August 27, 2009 it was observed that no further reclamation activities had occurred and the drilling pit was still open. Additional concerns identified include heavy growth of weeds on and around the pad and the lack of bird cones on both separators.

The rules cited in the NOAV are provided below along with required Abatement/Corrective Actions; both the January and August 2009 field inspections and the special COAs are included as Attachment 1; the NOAV is included as Attachment 2; photos are included as Attachment 3. Please note that this NOAV is being issued under the new Rules, effective April 1, 2009, as drilling pit closure sequencing is not grandfathered under the new Rules.

## COGCC RULES CITED

### Special COA #4

"The pit liner and all contents shall be removed once drilling operations are complete. The Colorado Oil and Gas Conservation Commission shall be witness to and oversee the removal of the liner and its contents."

**1003.d (2) - Drilling pit closure on non-crop land.**

All drilling fluids shall be disposed of in accordance with the 900 Series rules. Operators shall ensure that soils meet the concentration levels of Table 910-1, above. After the drilling pit is sufficiently dry, the pit shall be backfilled. Materials removed from the pit for drying shall be returned to the pit prior to the backfilling. No more than *de minimis* amounts may be incorporated into the surface materials. The backfilling of the drilling pit will be done to return the soils to their original relative positions so that the muds and associated solids will be confined to the pit and not squeezed out and incorporated in the surface materials. Closure and reclamation of drilling pits shall occur no later than six (6) months after drilling and completion activities conclude, weather permitting.

**603.j - Statewide equipment, weeds, waste, and trash requirements.**

All locations, including wells and surface production facilities, shall be kept free of the following: equipment, vehicles, and supplies not necessary for use on that lease; weeds; rubbish, and other waste material. The burning or burial of such material on the premises shall be performed in accordance with applicable local, state, or federal solid waste disposal regulations and in accordance with the 900-Series Rules. In addition, material may be burned or buried on the premises only with the prior written consent of the surface owner.

**604.b.(7)** - All stacks, vents, or other openings shall be equipped with screens or other appropriate equipment to prevent entry by wildlife, including migratory birds.

**CORRECTIVE ACTIONS**

Item	Action	Due Date
1.	Reclaim drilling pit per COA #4 and current COGCC rules, including appropriate removal and disposal of pit contents and liner. Properly abandon temporary monitoring well. Contact COGCC @ 970-259-1619 prior to closure for oversight scheduling.	9/30/2009
2.	Install bird cones on separators.	9/30/2009
3.	Remove existing weeds & implement a weed management plan.	9/30/2009

COGCC staff looks forward to working with Maralex to resolve these issues. Once Maralex has addressed all of these issues, please sign the NOAV where noted, note any job-specific comments, and return to me at my Durango address for final inspection and closure. If you have any questions or want to discuss this matter in more detail please contact me (970) 259-1619 or [karen.spray@state.co.us](mailto:karen.spray@state.co.us).

Sincerely,  
Colorado Oil and Gas Conservation Commission Staff



Karen L. Spray, P.G.  
SW Environmental Protection Specialist

Attachment 1: Site Inspections (#200202727 & #200217439)


Attachment 2: Notice of Alleged Violation #20017498

Attachment 3: Photographs

cc: David Neslin, COGCC Director w/o attachment  
Carol Harmon, COGCC Enforcement Officer w/ attachment  
Debbie Baldwin, COGCC Environmental Manager w/o attachment  
Anthony Martinez, La Plata County LGD w/ attachment

**ATTACHMENT 1**  
**SITE INSPECTIONS**  
**#200202727**  
**#200217439**  
**APD/COAs**

# COGIS - Field Inspection Report


			
API Number:	05-067-09631	Well Name:	KEEGAN PATRICK 33-7-11 #3C
Well Location:	NWSW 11 33N 7W	Lat:	Long:
Operator #:	53255	Operator Name:	MARALEX RESOURCES, INC
Inspection Date:	1/8/2009	Inspector:	KAREN SPRAY

Inspection was: Satisfactory

Insp. Type: ES	Insp. Stat: DG	Plugged:	Pass/Fail:
Violation: N		NOAV Sent: N	
UIC Violation Type:		Brhd. Pressure:	
Inj. Pressure:		T-C Ann. Pressure:	
Date Corrective Action Due:		Date Remedied:	

Field Inspection Comments and Observations

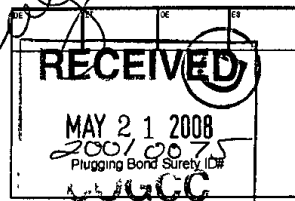
Insp. Comment	Inspection/Violation Comments
ACTION	NONE. RECLAIM DRILLING PIT ASAP IN CONCERT WITH FIELD CONDITIONS.
FIREWALL	ADEQUATE.
GENHOUSE	GOOD. HEAVY SNOWCOVER.
SPILCOM	NONE OBSERVED.
WORKOV	COMPLETION RIG ONSITE DURING INSPECTION; CLEANING WELL; WELL WAS FRAC'D BEFORE CHRISTMAS. DRILLING PIT HAS BEEN DRAWN DOWN - LINER THAT IS VISIBLE APPEARS INTACT. REMAINING FLUIDS FROZEN IN PLACE. MARALEX TO EVALUATE BEST METHOD TO CLOSE PIT ASAP GIVEN CONDITONS. RIG TO MOVE OFFSITE OVER THE WEEKEND AND EQUIPMENT WILL BE MOB'D OUT.

<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;"> <b>FORM FIELD</b> Rev. 6/99         </div>	State of Colorado Oil and Gas Conservation Commission <b>FIELD INSPECTION FORM</b> Note: Fields in red are required fields	
<b>Receive Date:</b> 9/1/2009		<b>Document number:</b> 200217439
<input checked="" type="radio"/> <b>Notice of Unsatisfactory Inspection</b> <input type="radio"/> <b>Notice of Satisfactory Inspection</b>		<b>Inspector:</b> SPRAY, KAREN - 3002030
<b>Inspection Date:</b> 8/27/2009		<b>Operator:</b> MARALEX RESOURCES, INC
<b>Location:</b> NWSW 11 33N 7W N		<b>Lease Name:</b> KEEGAN PATRICK 33-7-11 3C
<b>API Number:</b> 05 067 09631		<b>Facility ID:</b> 298720
<b>Inspection type:</b> ES - ENVIRONMENTAL ISSUE OR SPILL		<b>Inspection status:</b> PR - PRODUCING
<b>Reclam:</b>	<b>P&amp;A Pass/Fail:</b>	<b>Violation:</b> YES <b>NOAV:</b> YES
<b>UIC Viol type:</b>		<b>Tbg/Pkr Lk:</b> <b>Csg Lk:</b>
<b>Well ID Signs</b> YES <b>Comments</b>		<b>Fences</b> YES <b>Comments</b>
		ACCESS ROAD HAS 3 GATES; ALL OPEN DURING INSPECTION.
<b>Production Pits - EARTHEN PITS ONLY Sensitive Area</b>		
<b>Produced Water Pits - Total # Oil Accumulation</b>		
<b>Comments:</b>		
<b>Skimming/Settling Pits - Total # Covered # Uncovered #</b>		
<b>Comments:</b>		
<b>Special Purpose Pits - Total # Lined # Unlined #</b>		
<b>Comments:</b>		
<b>Tank Battery Equipment</b> PJ; HORZ.. SEP; METER SHED - SHARES PAD W/ KEEGAN PATRICK 33-7 11#2A; NO BIRD CONES ON EITHER		
<b>Buried/Partially Buried Vessels</b> # Steel # Fiberglass # Concrete # Other		
<b>Firewalls/Berms/Dikes</b> NONE		
<b>General Housekeeping</b> HEAVY WEED GROWTH AROUND SEPARATORS AND EDGE OF PAD.		
<b>Spills and Releases</b> NONE OBSERVED		
<b>UIC Routine Inspection</b>		
<b>Inj. Pressure (psig) T-C-Ann. Pressure (psig) Brhd. Pressure (psig)</b>		
<b>Drilling Well/Workover</b>		
<b>Surface Rehabilitation</b> POOR.		
<b>Miscellaneous</b> DRILLING PIT HAS NOT BEEN RECLAIMED. SPECIAL COAS REQUIRED IMMEDIATE RECLAMATION DUE TO HISTORIC ISSUES W/ ADJACENT DOMESTIC WW. FIELD INSPECTION 1/2009 REQUESTED CLOSURE ASAP; NO ACTION SINCE THAT TIME		
<b>CORRECTIVE ACTION REQUIRED:</b> RECLAIM DRILLING PIT IMMEDIATELY IN ACCORDANCE WITH SPECIAL COA #4 AND NEW RULES (1003.D(2)); CLEAN UP WEEDS (603.J); BOTH SEPARATORS NEED BIRD CONES (604.B.(7)).		
<b>Date Corrective Action Required by:</b> 9/30/2009 <b>Date Remedied:</b>		

<b>Assign To:</b>	<b>Assigned By:</b>	<b>Status:</b>
SPRAY, KAREN - 3002030	SPRAY, KAREN - 3002030	IN PROCESS

OGCC Comments:





## APPLICATION FOR PERMIT TO

1 ☒ Drill, ☐ Deepen, ☐ Re-enter, ☐ Recomplete and Operate2 TYPE OF WELL  
OIL ☐ GAS ☒ COALBED ☐ OTHER ☐  
SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐Refilling ☐  
Sidetrack ☐

3 Name of Operator <u>Maralex Resources, Inc.</u>	4 COGCC Operator Number <u>53255</u>	Attachment Checklist	OP	COGCC
5 Address <u>P O Box 338</u>	City <u>Ignacio</u> State <u>CO</u> Zip <u>81137</u>	APD Orig & 1 Copy		
6 Contact Name <u>Christi Reid</u>	Phone <u>(970) 563-4000</u> Fax <u>(970) 563-4116</u>	Form 2A		<input checked="" type="checkbox"/>
7 Well Name <u>Keegan Patrick 33-7-11</u>	Well Number <u>#3C</u>	Well location plat		<input checked="" type="checkbox"/>
8 Unit Name (if appl)	Unit Number	Topo map		<input checked="" type="checkbox"/>
9 Proposed Total Measured Depth <u>3400-3697</u>		Mineral lease map		
WELL LOCATION INFORMATION		Surface agrmt/Surety		<input checked="" type="checkbox"/>
10 Qtr/Tr <u>NWSW</u> Sec <u>11</u> Twp <u>33N</u> Rng <u>7W</u> Meridian <u>NMPM</u>		30 Day notice letter		<input checked="" type="checkbox"/>
Latitude <u>37 11634</u> Longitude <u>107 58337</u>		Deviated Drilling Plan		
Footage At Surface <u>1880'</u> <input type="checkbox"/> S <u>1037'</u> <input type="checkbox"/> W		Exception Location Request		
11 Field Name <u>Ignacio Blanco</u>	Field Number <u>38300</u>	Exception Loc Waivers		
12 Ground Elevation <u>6637'</u>	13 County <u>La Plata</u>	H2S Contingency Plan		
14 GPS Data <u>3/4/2008</u>	Date of Measurement <u>4/03/2008</u> PDOP Reading <u>&lt;3.0</u>	Federal Drilling Permit		
Instrument Operator's Name <u>Nelson Ross</u>				

15 If well is <input checked="" type="checkbox"/> Directional <input type="checkbox"/> Horizontal (highly deviated),	submit deviated drilling plan	Bottomhole Sec Twp Rng	Sec <u>11</u> Twp <u>33N</u> Rng <u>7W</u>
Footage At Top of Prod Zone <u>754.2'</u> <input type="checkbox"/> S <u>1812.7'</u> <input type="checkbox"/> W	At Bottom Hole <u>660'</u> <input type="checkbox"/> S <u>1980'</u> <input type="checkbox"/> W		
16 Is location in a high density area (Rule 603b)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
17 Distance to the nearest building, public road, above ground utility or railroad <u>500'</u>			
18 Distance to Nearest Property Line <u>285'</u>	19 Distance to nearest well permitted/completed in the same formation <u>1507' BH</u>		

LEASE, SPACING AND POOLING INFORMATION				
Objective Formation(s)	Formation Code	Spacing Order Number (s)	Unit Acreage Assigned to Well	Unit Configuration (N2, SE1/4, etc)
<u>Fruitland Coal</u>	<u>FRLCD</u>	<u>#442-167-112-193</u>	<u>320</u>	<u>W/2</u>
21 Mineral Ownership <input checked="" type="checkbox"/> Fee <input type="checkbox"/> State <input type="checkbox"/> Federal <input type="checkbox"/> Indian				
22 Surface Ownership <input checked="" type="checkbox"/> Fee <input type="checkbox"/> State <input type="checkbox"/> Federal <input type="checkbox"/> Indian				
23 Is the Surface Owner also the Mineral Owner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
23a If 23 is Yes Is the Surface Owner(s) signature on the lease? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
23b If 23 is No <input checked="" type="checkbox"/> Surface Owners Agreement Attached or <input type="checkbox"/> \$25,000 Blanket Surface Bond <input type="checkbox"/> \$2,000 Surface Bond <input type="checkbox"/> \$5,000 Surface Bond				
24 Using standard Qtr/Tr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer)				
Section <u>11 SW/4NW/4, NW/4SW/4</u>				
25 Distance to Nearest Mineral Lease Line <u>285'</u> 26 Total Acres in Lease <u>80</u>				

DRILLING PLANS AND PROCEDURES				
27 Is H2S anticipated? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If Yes, attach contingency plan			
28 Will salt sections be encountered during drilling? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
29 Will salt (>15,000 ppm TDS Cl) or oil based muds be used during drilling? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
30 If questions 27 or 28 are yes, is this location in a sensitive area (Rule 903)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If 28, 29 or 30 are "Yes" a pit permit may be required			
31 Mud disposal <input type="checkbox"/> Offsite <input checked="" type="checkbox"/> Onsite				
Method <input type="checkbox"/> Land Farming <input type="checkbox"/> Land Spreading <input type="checkbox"/> Disposal Facility <input checked="" type="checkbox"/> Other: Evaporation/ Burial				

NOTE The use of an earthen pit for Recompletion fluids requires a pit permit (Rule 905b) If air/gas drilling, notify local fire officials						
String	Size of Hole	Size of Casing	Weight Per Foot	Setting Depth	Sacks Cement	Cement Bottom
Surface	12 1/4"	8 5/8"	24#	450' 499	315sks	450' 499
Production	7 7/8"	5 1/2"	17#	3637' 5"	515sks	3637' 5"
				3697'		3697'
Stage Tool						

32 BOP Equipment Type <input type="checkbox"/> Annular Preventor <input checked="" type="checkbox"/> Double Ram <input type="checkbox"/> Rotating Head <input type="checkbox"/> None
33 Comments <u>No Conductor Pipe</u>

34 Initial Rule 306 Consultation took place on (date) <u>4/22/2008</u> , was waived, or is not required Provide supporting documentation if consultation has been waived or if good faith effort did not result in consultation	
PERMIT SUBMITTED TO COGCC PRIOR TO COMPLIANCE WITH RULE 306 CONSULTATION SHALL BE RETURNED UNAPPROVED.	
I hereby certify that a complete permit package has been sent to the applicable Local Government Designee(s), and all statements made in this form are, to the best of my knowledge, true, correct, and complete	
Signed <u>Christi Reid</u>	Print Name <u>Christi Reid</u>
Title <u>Engineer</u>	Date <u>5/15/2008</u> Email <u>creid@maralexresources.com</u>

Based on the information provided herein, this Application for Permit-to-Drill complies with COGCC Rules and applicable orders and is hereby approved	
COGCC Approved <u>David S. Neslin</u> DDH	Director of COGCC Date <u>10/1/2008</u>

Permit Number <u>20083414</u>	Expiration Date <u>9/30/2009</u>
CONDITIONS OF APPROVAL, IF ANY	
API NUMBER <u>05-067-08631-00</u>	

SEE ATTACHED  
CONDITIONS OF  
APPROVAL

**CONDITIONS OF APPROVAL**  
**KEEGAN PATRICK 33-7-11 #3C**  
**MARALEX RESOURCES**  
**SECTION 11, TOWNSHIP 33N, RANGE 7W**  
**LA PLATA COUNTY**

The following Conditions of Approval shall apply to the Application for Permit-to-Drill, Form 2 for the Maralex Resources Keegan Patrick 33-7-11 #3C Well in Section 11, Township 33 North, Range 7 West, N M P M , La Plata County

- 1 The Operator shall consult a third-party professional engineer to design and oversee construction of the production pit and the installation of the pit liner utilized for the construction and operation of the aforementioned well. The professional engineer shall approve and stamp the design.
- 2 The pit liner shall be installed by a third-party contractor under the supervision of the design professional engineer.
- 3 The pit and pit liner shall be inspected by the Colorado Oil and Gas Conservation Commission before any contents make their way into the pit.
- 4 The pit liner and all contents shall be removed once drilling operations are complete. The Colorado Oil and Gas Conservation Commission shall be witness to and oversee the removal of the liner and its contents.
- 5 Water well samples from the adjacent landowner, Dave Thomson's well, shall be taken before any drilling shall commence. Thereafter, water well samples from the Dave Thomson well shall be taken after drilling operations are complete or within three (3) days of completion. Additionally, water well samples from the Dave Thomson water well shall be taken one (1) month after completing the drilling operation, samples shall be taken three (3) months after drilling is complete, and samples shall be taken six (6) months after drilling is complete. Water well samples shall be sampled for the same complete set of constituents analyzed during the previous contamination event (Remediation #3680). Data shall be supplied to Mr. Thomson and the COGCC within 45 days of sample collection.
- 6 Maralex or the operator shall use flow back tanks for all fracturing and completion fluids and these fluids are not permitted to be released into the aforementioned drilling pit.
- 7 The pit design shall include considerations of the COGCC, La Plata County, and the landowner with regard to impact to groundwater flow and quality. Specifically, these considerations shall include the following requirements:
  - a The third-party professional engineer shall consult with the COGCC and La Plata County prior to finalizing the pit design.
  - b The pit shall be completed in the overburden soil and shall not be excavated into or be in contact with bedrock.



**ATTACHMENT 2**  
**NOTICE OF ALLEGED VIOLATION**  
**#200217498**

State of Colorado  
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 (303) 894-2100 Fax: (303) 894-2109



FOR OGCC USE ONLY

09/01/2009

200217498

\*\*\* NOTICE OF ALLEGED VIOLATION \*\*\*

OGCC Operator Number: 53255  
Name of Operator: MARALEX RESOURCES, INC  
Address: P O BOX 338  
City: IGNACIO State: CO Zip: 81137  
Company Representative:

Date Notice Issued:

09/01/2009

Well Name: KEEGAN PATRICK 33-7-11 Well Number: 3C Facility Number: 298720  
Location (QtrQtr, Sec, Twp, Rng, Meridian): NWSW 11 33N 7W N County: LA PLATA  
API Number: 05 067 09631 00 Lease Number:

COGCC Representative: SPRAY KAREN

Phone Number: 970 259-1619

THE FOLLOWING ALLEGED VIOLATION WAS FOUND BY THE COGCC REPRESENTATIVE FOR THE SITE LISTED

Date of Alleged Violation: 08/27/2009

Approximate Time of Violation:

Description of Alleged Violation:

Drilling pit not closed in accordance w/ special COA; not closed w/in 6 months of drilling completion. No bird cones on separators. Weeds encroaching on pad and equipment.

Act, Order, Regulation, Permit Conditions Cited:

Special COA #4; 1003.d(2); 603.j; 6.4.b.(7).

Abatement or Corrective Action Required to be Performed by Operator:\*

Reclaim drilling pit per COA #4 and current COGCC rules, including appropriate removal and disposal of pit contents and liner. Properly abandon temporary monitoring well. Install bird cones on separators. Remove existing weeds & implement a weed management plan.

Abatement or Corrective Action to be Completed by (date): 09/30/2009

\* Proper and timely abatement does not necessarily preclude the assessment of penalties and an Order Finding Violation.

State of Colorado  
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 (303) 894-2100 Fax: (303) 894-2109



FOR OGCC USE ONLY

09/01/2009

200217498

\*\*\* NOTICE OF ALLEGED VIOLATION \*\*\*

OGCC Operator Number: 53255  
Name of Operator: MARALEX RESOURCES, INC  
Address: P O BOX 338  
City: IGNACIO State: CO Zip: 81137  
Company Representative:

Date Notice Issued:

09/01/2009

Well Name: KEEGAN PATRICK 33-7-11 Well Number: 3C Facility Number: 298720  
Location (QtrQtr, Sec, Twp, Rng, Meridian): NWSW 11 33N 7W N County: LA PLATA  
API Number: 05 067 09631 00 Lease Number:

COGCC Representative: SPRAY KAREN Phone Number: 970 259-1619

TO BE COMPLETED BY OPERATOR - When alleged violation is corrected, sign this notice and return to above address:

Company Representative Name: Title:  
Signature: Date:  
Company Comments:

\*\*\* THIS NOTICE CONSTITUTES A SEPARATE NOTICE OF ALLEGED VIOLATION FOR EACH VIOLATION LISTED \*\*\*

WARNING

Abatement and reporting time frames for Notices of Alleged Violation begin upon receipt of the Notice or five days after the date it is mailed, whichever is earlier. Each violation must be abated within the prescribed time upon receipt of this Notice, reported to the Colorado Oil and Gas Conservation Commission at the address shown above, and postmarked no later than the next business day after the prescribed time for abatement. Should abatement or corrective action fail to occur, the Director may make application to the Commission for an Order Finding Violation. Proper and timely abatement does not necessarily preclude the assessment of penalties and an Order Finding Violation.

PENALTY PROPOSED BY THE DIRECTOR PER RULE 523

The Director may propose a penalty as listed in the table below, not to exceed a maximum of \$1,000.00 per day per violation. Such proposed penalty amount will be limited to \$10,000.00 per violation if the violation does not result in significant waste of oil and gas resources, damage to correlative rights, or a significant adverse impact on public health, safety, or welfare. Such proposed penalty amount may be increased if aggravating factors indicate the violation: was intentional or reckless; had, or threatened to have, a significant negative impact on public health, safety, or welfare; resulted in significant waste of oil and gas resources; had a significant negative impact on correlative rights of other parties; resulted in, or threatened to result in, significant loss or damage to public or private property; involved recalcitrance or recidivism upon the part of the violator; involved intentional false reporting or record keeping; resulted in economic benefit to the violator. Such proposed penalty amount may be decreased if mitigating factors indicate the violator: self-reported; promptly, effectively and prudently responded to the violation; cooperated with the Commission or other agencies with respect to the violation; could not reasonably control, or be responsible for, the cause of the violation; made a good faith effort to comply with applicable requirements prior to the Commission learning of the violation; had any economic benefit reduced or eliminated due the cost of correcting the violation; has demonstrated a history of compliance with Commission rules, regulations and orders. The Commission has final authority over the penalty amount assessed. The Commission or other agencies with respect to the violation; could not reasonably control, or be responsible for, the cause of the violation; made a good faith effort to comply with applicable requirements prior to the Commission learning of the violation; had any economic benefit reduced or eliminated due to the cost of correcting the violation; has demonstrated a history of compliance with Commission rules, regulations, and orders. The Commission has final authority over the penalty amount assessed.

BASE FINE \$250.00 PER DAY PER VIOLATION: RULES 210, 307, 311, 312, 313, 314A, 315, 403, 405, 803, 804  
BASE FINE \$500.00 PER DAY PER VIOLATION: RULES 205, 206, 207, 208, 302, 308, 309, 310, 316A, 321, 322, 328, 329, 330, 331, 332, 401  
BASE FINE \$750.00 PER DAY PER VIOLATION: RULES 605, 606A, 606B, 607  
BASE FINE \$1,000.00 PER DAY PER VIOLATION: RULES 209, 301, 303, 305, 306, 316B, 317, 317A, 318, 319, 320, 323, 324, 325, 326, 327, 333, 404, 602, 603, 604, 703, 704, 705,  
706, 707, 708, 709, 711, 802, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 1002, 1003, 1004, 1101, 1102, 1103

In accordance with Rule 523.a.(4), fines for violations for which no base fine is listed shall be determined by the Commission at its discretion.

Signature of COGCC Representative: Date: 09/01/2009 Time: 11:23AM

Resolution Approved by: Date:

**ATTACHMENT 3  
PHOTOGRAPHS**



Photo 1: Keegan Patrick 33-7-11 #3C – 8/27/2009  
Pit not closed – looking east



Photo 2: Keegan Patrick 33-7-11 #3C – 8/27/2009  
Overview of pad & pit – looking east



Photo 3: Keegan Patrick 33-7-11 #3C – 8/27/2009  
Separators w/out bird cones – looking north



Photo 4: Keegan Patrick 33-7-11 #3C – 8/27/2009  
Weed infestation – looking southeast