



*** NOTICE OF ALLEGED VIOLATION ***

OGCC Operator Number: 81480
Name of Operator: THOMAS L SPRING LLC
Address: 7400 E ORCHARD RD STE 2000 ATTN: THOMAS SPRING
City: GREENWOOD VILLAGE State: CO Zip: 80111
Company Representative:

Date Notice Issued:
8/9/2013

Well Name: DRW STATE Well Number: #1 Facility Number: 213326
Location (QtrQtr, Sec, Twp, Rng, Meridian): SWSW 33 20S 48W 6 County: KIOWA
API Number: 05 061 06688 00 Lease Number: 94-2023

COGCC Representative: QUINT CRAIG Phone Number: 719 767-8939

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

Date of Alleged Violation: 7/20/2013 Approximate Time of Violation:
Description of Alleged Violation:
Field Inspection, COGCC Document # 668600957, performed on June 20, 2013 observed that the well was incapable of production in present state. Rule 326. b. (1) requires a successful mechanical integrity test (MIT) shall be performed on each temporarily abandoned well within thirty (30) days of the date the well becomes incapable of production or 3) be properly plugged and abandoned. Field Inspection, COGCC Document # 668601194, performed on August 5, 2013 observed well is still incapable of production and no documentation that a MIT has been performed. Review of COGCC well records show this well has been shut in since July 2011 and no production records have been filed since November 2012. Rule 309 requires production reporting within 45 days.

Act, Order, Regulation, Permit Conditions Cited:
309., 326.b.(1)

Abatement or Corrective Action Required to be Performed by Operator:*
Within ten (10) days of receipt of this Notice of Alleged Violation, submit written compliance plan to Craig Quint SE Area Inspector, detailing plans to perform a successful MIT or plug well. Submit production reports as required within ten (10) days. Submit documentation as to why MIT was not performed in allotted time as required. Submit documentation as to why production reporting was not performed as required and what process and/or procedures operator has implemented to prevent future lapse in reporting.

Abatement or Corrective Action to be Completed by (date): 8/21/2013
* Proper and timely abatement does not necessarily preclude the assessment of penalties and an Order Finding Violation.

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 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.
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
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, 208, 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: Craig Quint Date: 8/9/2013 Time:
Resolution Approved by: _____ Date: _____

DRW STATE #1
SW/SW SEC. 33-T20S-R48W
KIOWA COUNTY, COLORADO
(303)-629-1523 (303)-293-8160

08/05/2013 13:08



OPEN STATE #
SWSW SEC. 33-7206 40N
WYOMA COUNTY, COLORADO
COCOP-629-1623 COCOP-283-1623

08/05/2013 13:09

DRW STATE #1
SW/SW SEC. 33-T20S R48W
KIOWA COUNTY, COLORADO
(303)-629-1523 (303)-293-8160

08/05/2013 13:09