



*** NOTICE OF ALLEGED VIOLATION ***

OGCC Operator Number: 100178
Name of Operator: SIMMONS, INC.* D. J.
Address: 1009 RIDGEWAY PL STE 200
City: FARMINGTON State: NM Zip: 87401
Company Representative: RODNEY SEALE

Date Notice Issued:
03/30/2015

Well Name: FEDERAL Well Number: 33-8 Facility Number: 208961
Location (QtrQtr, Sec, Twp, Rng, Meridian): SWSE 8 39N 19W N County: DOLORES
API Number: 05 033 06066 00 Lease Number: 11427

COGCC Representative: Koehler Bob Phone Number: 303 894-2100 X5147

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

Date of Alleged Violation: 02/12/2015 Approximate Time of Violation:
Description of Alleged Violation:
Field Inspection Report (Document # 663401123) for inspection on 8/22/2013 states that the well would not blow down thus indicating at least a tubing leak and therefore loss of mechanical integrity. Report required the following Corrective Actions: perform a successful MIT at least 1000 psi within 30 days (by 10/3/2013) or schedule the well to be plugged and abandoned. Follow up Field Inspection Report (Document # 667700556) for inspection on 2/12/2015 states that well had not been repaired and passed an MIT or been plugged and abandoned per the corrective actions specified in the 8/22/2013 Field Inspection Report.

Act, Order, Regulation, Permit Conditions Cited:
Rule 326

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

This well is already in violation. The following Corrective Actions need to be performed without delay: Have the well repaired and have it pass an MIT or have the well Plugged and Abandoned. Submittal of all COGCC Forms required by the work are the operator's responsibility.

Abatement or Corrective Action to be Completed by (date): 03/30/2015
* 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 ***

PENALTY

Penalties for violations alleged in this NOAV will be calculated pursuant to Rule 523, with daily penalties accruing pursuant to Section 34-60-121(1), C.R.S.

ANSWER

Pursuant to Rule 522.d.(2), the operator must file an Answer to this NOAV within 28 days of its receipt, or a default judgment may be entered. Hard-copy answers are filed with the Commission Secretary at the Commission's Denver office and should also be emailed to dnr_cogccenforcement@state.co.us.

Signature of COGCC Representative: *Robert Koehler* Date: 3/30/2015 Time: 1:00PM
Resolution Approved by: _____ Date: _____



COLORADO

Oil & Gas Conservation Commission

Department of Natural Resources

1120 Lincoln Street, Suite 801
Denver, CO 80203

March 30, 2015

D. J. Simmons, Inc.
Mr. Rodney L. Seale, Operations Engineer
1009 Ridgeway Place, Suite 200
Farmington, NM 87401

Dear Mr. Seale,

Enclosed you will find a Notice of Alleged Violation ("NOAV") issued to D. J. Simmons Inc for the Federal #33-8 well. During a routine Annual UIC Field Inspection (Colorado Oil and Gas Conservation Commission ("COGCC") Document # 663401123) on August 22, 2013 the well failed to blow down indicating a loss of mechanical integrity. Corrective Actions required by this Inspection Report included passing an MIT within 30 days (this implies the need from some type of repair) or arranging to plug and abandon the well. A second Field Inspection (COGCC Document # 667700556) conducted on February 12, 2015 indicates that the Federal #33-8 well has not been repaired and passed an MIT nor has it been plugged and abandoned. Also, COGCC records do not indicate that D. J. Simmons Inc has had the well repaired, got it to pass a recent MIT, or filed a Form 6-Notice of Intent to Abandon.

At the time of the inspection the Federal #33-8 was an Underground Injection Control ("UIC") Disposal Well , UIC Facility # 150401. Subsequently D. J. Simmons Inc requested that the well be removed from the injection program (Form-4 Sundry Notice Document # 400499879, approved 1/29/2014). Because all wells are required to maintain mechanical integrity whether part of an injection program or not, this NOAV is being issued because D. J. Simmons Inc has not repaired or plugged and abandoned within six (6) months of the discovery of the loss of integrity.

If you have any questions, please feel free to contact me.

Sincerely,

Robert P. (Bob) Koehler, PhD.
UIC-Lead, Geology Advisor

Telephone: 303-894-2100 x5147
Facsimile: 303-894-2109

Email: bob.koehler@state.co.us
Website: www.cogcc.state.co.us

Federal #33-8
SWSE 8-39N-19W NMPM
Dolores County, Colorado
API: 05-033-06066

P 303.894.2100 F 303.894.2109 www.colorado.gov/cogcc

Commissioners: Thomas L. Compton - Chairman, Richard Alward, John H. Benton, DeAnn Craig,
James W. Hawkins, Tommy Holton, Andrew L. Spielman, Mike King, Dr. Larry Wolk
John W. Hickenlooper, Governor | Mike King, Executive Director, DNR | Matthew J. Lepore, Director

