

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 **DAKOTA**) DOCKET NO. 160700208
EXPLORATION LLC, JACKSON COUNTY, COLORADO)
) TYPE: ENFORCEMENT

AMENDED NOTICE AND APPLICATION FOR HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

Pursuant to Rule 522.e.(2)(B), the Colorado Oil and Gas Conservation Commission (“Commission” or “COGCC”) Staff applies to the Commission at its **August 29-30, 2016** hearing for an Order Finding Violation (“OFV”) against Dakota Exploration LLC (“Dakota”) (Operator No. 10354). This Notice and Application is being served to adjudicate the allegations made in the below-described Notices of Alleged Violation (“NOAV”), the allegations of which are incorporated herein.

Dakota is the operator of the Arapahoe State 6-81-36-3 Well (API No. 05-057-06507) and the State 6-81-24-4 Well (API No. 05-057-06510) located in Jackson County, Colorado.

On April 5, 2016, COGCC Staff issued NOAV No. 400984454 to Dakota for violations at the Arapahoe State 6-81-36-3 Well of the following COGCC Rules of Practice and Procedure, 2 C.C.R. 404-1 (“Rule” or “Rules”):

- a. Rule 210.b. (Signs & Markers, Wells & Batteries) for the failure to install a sign at the wellhead;
- b. Rule 210.d. (Signs & Markers, Tanks & Containers) for the failure to install labels on the tanks and containers with NFPA diamonds;
- c. Rule 309 (COGCC Form 7, Operator’s Monthly Report of Operations) for the failure to submit Monthly Reports of Operation since December 2014;
- d. Rule 603.f. (Statewide Equipment, Weeds, Waste, and Trash Requirements) for the failure to keep the location free of weeds and unnecessary equipment;
- e. Rule 605.b. (O&G Facilities – Fired Vessel, Heater Treater) for the failure to install wildlife protection screens on an exhaust stack; and
- f. Rule 1002.f. (Stormwater Management) for the failure to implement and maintain Best Management Practices;
- g. Rule 1003.b. (Interim Reclamation, Areas No Longer in Use) for the failure to commence interim reclamation of all disturbed areas within 12 months; and
- h. Rule 1003.d. (Interim Reclamation, Drilling Pit Closure) for the failure to return any cuttings into the pit prior to backfilling.

On April 5, 2016, COGCC Staff issued NOAV No. 400984767 to Dakota for violations at the State 6-81-24-4 Well of the following Rules:

- a. Rule 210.b. (Signs & Markers, Wells & Batteries) for the failure to install signs at the wellhead and battery;
- b. Rule 210.d. (Signs & Markers, Tanks & Containers) for the failure to install labels on the tanks and containers with NFPA diamonds;
- c. Rule 309 (COGCC Form 7, Operator's Monthly Report of Operations) for the failure to submit Monthly Reports of Operation since December 2014;
- d. Rule 603.f. (Statewide Equipment, Weeds, Waste, and Trash Requirements) for the failure to keep the location free of weeds and unnecessary equipment;
- e. Rule 605.a.(4) (O&G Facilities, Berms) for the failure to construct and maintain sufficiently impervious berms around tanks;
- f. Rule 605.b. (O&G Facilities – Fired Vessel, Heater Treater) for the failure to install wildlife protection screens on an exhaust stack; and
- g. Rule 1003.b. (Interim Reclamation, Areas No Longer in Use) for the failure to commence interim reclamation of all disturbed areas within 12 months.

On July 11, 2016, COGCC Staff issued NOAV No. 401067209 to Dakota for a violation at the State 6-81-24-4 Well of Rule 326.b. (Mechanical Integrity Testing, Shut-in Wells) for the failure to perform a mechanical integrity test on the Well within two years of its initial shut-in date.

COGCC Staff requests that the Commission find Dakota in violation of the Rules cited above, order Dakota to return to compliance, assess a penalty pursuant to Rule 523, and impose other relief as authorized by law.

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, August 29, 2016
Tuesday, August 30, 2016**

Time: 9:00 a.m.

**Place: Colorado Oil and Gas Conservation Commission
1120 Lincoln St., Suite 801
Denver, CO 80203**

Please contact Margaret Humecki at (303) 894-2100 ext. 5139 prior to the hearing if any party requires special accommodations as a result of a disability. Special accommodations will be provided in accordance with the Americans with Disabilities Act.

At the Commission's **August 29-30, 2016** meeting, the Commission will enter orders as it deems appropriate to protect public health, safety, and welfare, including the environment and wildlife resources, and to carry out the purposes of the Act and Commission rules, orders, or permits.

A party meeting the requirements for a protestant or intervenor may file a written protest or intervention in accordance with Rule 509. One electronic, one original and two copies of any protest or intervention must be filed with the Commission no later than **August 15, 2016**. A party who files a protest or intervention must be able to participate in a prehearing conference during the week of **August 15, 2016**.

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO

By  _____
Julie Murphy, Secretary

Dated: July 11, 2016

Colorado Oil and Gas Conservation Commission
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