

State of Colorado
Oil and Gas Conservation Commission

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Date Issued:
07/14/2016
Date Resolved:

NOTICE OF ALLEGED VIOLATION - ISSUED

Per Rule 522, the Director has reasonable cause to believe that a violation of the Act, or of any Commission rule, order, or permit has occurred, the Director will require the operator to remedy the violation and may commence an enforcement action seeking penalties by issuing a Notice of Alleged Violation (NOAV). Per Rule 523, an operator who violates the Act, or a Commission rule, order, or permit may be subject to a penalty imposed by Commission order.

OPERATOR INFORMATION

OGCC Operator Number: 41550	Contact Name and Telephone:
Name of Operator: TYLER ROCKIES EXPLORATION LTD	Name: Mark Strawn
Address: P O BOX 119	Phone: (903) 5954886 Fax: ()
City: TYLER State: TX Zip: 75710-0119	Email: texcomo@sbcglobal.net

Well Location, or Facility Information (if applicable):

API Number: 05-001-06908-00 Facility or Location ID: _____
Name: COWELL Number: 1
QtrQtr: NENW Sec: 31 Twp: 3S Range: 59W Meridian: 6
County: ADAMS

ALLEGED VIOLATION

Rule: 309
Rule Description: Operator's Monthly Production Report
Initial Discovery Date: _____ Was this violation self-reported by the operator? No
Date of Violation: _____ Approximate Time of Violation: _____
Was this a discrete violation of obvious duration? No
Description of Alleged Violation:
Pursuant to Rule 309.b., Tyler Rockies Exploration LTD (Operator) is required to submit Form 7 Monthly Reports of Operations for Class II Underground Injection Control wells within 45 days after the end of each month. Operator failed to submit Form 7 Monthly Reports of Operations for Cowell #1, API 05-001-06908 (Well), API 05-001-06908, from December 2014 through July 2015 and March 2016 through April 2016, violating Rule 309.
Abatement or Corrective Action Required to be Performed by Operator: Corrective Action Due Date: 08/15/2016
Proper and timely abatement does not preclude the assessment of penalties and an Order Finding Violation.
Operator shall submit Form 7 reports for Well for December 2014 through July 2015 and March 2016 through April 2016 as soon as possible, but not later than August 15, 2016.

Rule: 326.a
Rule Description: Injection Wells
Initial Discovery Date: _____ Was this violation self-reported by the operator? No
Date of Violation: _____ Approximate Time of Violation: _____
Was this a discrete violation of obvious duration? No
Description of Alleged Violation:
Pursuant to Rule 326.a.(4)A., for dedicated injection wells being used for injection fluids, Operator is required to perform a Mechanical Integrity Test (MIT) every five (5) years or after casing repairs, after resetting the tubing or mechanical isolation device, or whenever tubing and/or mechanical isolation device is moved during workover operations. COGCC policy requires all MIT's

conducted on injection wells to be witnessed by COGCC staff. The last MIT performed by Operator on Cowell #1, API 05-001-06908 (Well) was performed on July 20, 2010 and an MIT should have been completed by July 20, 2015. To date, Operator has not completed the now overdue MIT, violating Rule 326.a.(4)A.

Abatement or Corrective Action Required to be Performed by Operator:

Corrective Action Due Date: 07/20/2015

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

Operator shall immediately schedule and complete either an MIT of the Well or plugging and abandonment of the Well. Rule 316B. requires notice to the Director on a Form 42 at least ten (10) days prior to conducting an MIT and submission of MIT results on a Form 21, within thirty (30) days after the test. A pressure chart shall accompany this Form 21 report. If Operator elects to complete corrective action by performing an MIT on the well, Operator shall schedule for COGCC staff to witness the testing. Rule 311 requires Operator to submit a Form 6, Notice of Intent to Abandon and secure Director approval prior plugging and abandonment of a well and to submit a Form 6, Subsequent Report of Abandonment, within 30 days after plugging and abandonment of the well has been completed.

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 judgement 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.

NOAV ISSUED

NOAV Issue Date: 07/14/2016

COGCC Representative Signature: _____

COGCC Representative: Bob Koehler

Title: UIC Lead

Email: bob.koehler@state.co.us

Phone Num: (303) 894-2100x5147

CORRECTIVE ACTION COMPLETED

Rule: 309

Rule Description: Operator's Monthly Production Report

Corrective Action Start Date: _____

Corrective Action Complete Date: _____

Has corrective action for this violation been performed as required? Yes

Description of Actual Corrective Action Performed by Operator

Form 7's submitted on September 13, 2016.

Rule: 326.a

Rule Description: Injection Wells

Corrective Action Start Date: _____

Corrective Action Complete Date: _____

Has corrective action for this violation been performed as required? Yes

Description of Actual Corrective Action Performed by Operator

Successful MIT conducted on July 27, 2016. Form 21 submitted on September 13, 2016.

FINAL RESOLUTION

Cause #: 1V

Order #: 614

Docket #: 161000380

Enforcement Action: Administrative Order of Consent

Final Resolution Date: 02/01/2017

Final Resolution Comments:

Corrective Actions completed. Penalty due to be paid within thirty days of the approved AOC being mailed to Operator.

ATTACHMENT LIST

View Attachments in Imaged Documents on COGCC website (<http://ogccweblink.state.co.us/>) - Search by Document Number.

<u>Document Number</u>	<u>Description</u>
401078448	NOAV COVER LETTER
401078483	NOAV CERTIFIED MAIL RECEIPT
401078539	NOAV ISSUED
401078550	NOAV IN PROCESS
401145698	NOAV CERTIFIED MAIL RETURN RECEIPT

Total Attach: 5 Files