



FOR OGCC USE ONLY 06/24/2006 1237366

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

OGCC Operator Number: 17180 0 Name of Operator: CITATION OIL & GAS CORP Address: 8223 WILLOW PLACE SOUTH ATTN: SHARON WARD City: HOUSTON State: TX Zip: 77070 Company Representative: MARK BING

Date Notice Issued: 07/24/2006

Well Name: ARCO-SINDT Well Number: 6-15 Facility Number: 220989 Location (QtrQtr, Sec, Twp, Rng, Meridian): SWSE 6 9N 52W 6 County: LOGAN API Number: 05 075 09115 00 Lease Number: 32526

COGCC Representative: LIVELY KEVIN Phone Number: 970 522-6747

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

Date of Alleged Violation: 06/14/2006 Description of Alleged Violation: well would not pass mechanical integrity test for injection wells. casing was tested to 1250 ans was losing 1 psi per second

Act, Order, Regulation, Permit Conditions Cited: 326-d all wells shall maintain mechanical integrity or be plugged out

Abatement or Corrective Action Required to be Performed by Operator: repair the holes in the casing or plug well out. the casing shall pass a mechanical integrity test before injecting fluid

Abatement or Corrective Action to be Completed by (date): 12/14/2006 \* 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.

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.

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

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: Kevin Lively Date: 10-10-2006 Resolution Approved by: a liner was ran into the hole, and was cemented in from bottom to top with very good cement returns, the tubing was ran back into the hole with a new packer, and the well passed a new mit for injection wells. casing held 100 psi for 15 minutes with no pressure loss... test good for 6 years