



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8

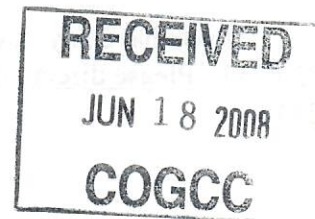
1595 Wynkoop Street
DENVER, CO 80202-1129
Phone 800-227-8917
<http://www.epa.gov/region08>



Ref: 8ENF-UFO

JUN 16 2008

CERTIFIED LETTER 7006-3450-0002-2006-0261
RETURN RECEIPT REQUESTED



Kenneth J. Kundrik, Production Engineer
The RIM Operating, Inc.
5 Inverness Drive East
Englewood, CO 80112

Re: Underground Injection Control (UIC)

Notice of Violation:

Loss of Mechanical Integrity

Road Runner Well # 23-31

EPA Permit # CO20701-03767

Road Runner Oil Field

Montezuma County, Colorado

API No. 083-06419

NW 1/4 23 33.5N 20W

Dear Mr. Kundrik:

On June 11, 2008, EPA learned that the RIM Operating, Inc. injection well referenced above lost mechanical integrity on June 9, 2008. Pursuant to the above-referenced UIC Permit and Title 40 of the Code of Federal Regulations Section 144.51(q)(1) (40 C.F.R. §144.51(q)(1)), you must establish and maintain mechanical integrity. A loss of mechanical integrity is a violation of this requirement.

Pursuant to the above-referenced UIC Permit and 40 C.F.R. §144.51(q)(2), you must immediately cease injection into this well. Before injection may resume, you must demonstrate that the well has mechanical integrity by passing a mechanical integrity test (MIT). You must also receive written authorization from the Director.

Within thirty (30) days of receipt of this letter, please submit a letter describing what action you intend to take regarding the well, including a time frame in which you anticipate the work to be completed. It is expected that you will return this well to compliance within ninety (90) days of the loss of mechanical integrity.

If you choose to plug and abandon this well, a plugging and abandonment plan must be submitted to EPA for approval prior to the plugging operation.

Failure to comply with the UIC regulations found at 40 C.F.R. Parts 144 through 148 constitutes one or more violations of the Safe Drinking Water Act, 42 U.S.C. §300h. Such non-compliance may subject you to formal enforcement by EPA, as codified at 40 C.F.R. Part 22.

If you have any questions concerning this letter, you may contact Nathan Wiser at (303) 312-6211. Please direct all correspondence to the attention of Nathan Wiser at Mail Code 8ENF-UFO.

Sincerely,



Mark A.R. Chalfant
Director
Technical Enforcement Program

cc: Manuel Heart, Chairman
Ute Mountain Ute Tribe
P.O. Box 248
Towaoc, Colorado 81334

Scott Clow, Director
Environmental Programs
Ute Mountain Ute Tribe
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