



FOR OGCC USE ONLY
08/14/2009
200216891

*** NOTICE OF ALLEGED VIOLATION ***

OGCC Operator Number: 10302
Name of Operator: MRPC II LLC
Address: 2154 W EISENHOWER BLVD ATTN: ANDY PETERSON
City: LOVELAND State: CO Zip: 80537
Company Representative: ANDY PETERSON

Date Notice Issued:
08/20/2009

RECEIVED

Well Name: FLOWLINE ALONG WCR 18 Well Number: Facility Number:
Location (Qtr, Sec, Twp, Rng, Meridian): NENE 28 2N 67W 6 County: WELD
API Number: 05 Lease Number:

SEP 24 2009
COGCC

COGCC Representative: CHESSON BOB Phone Number: 303 894-2100 X5112

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

Date of Alleged Violation: 08/13/2009 Approximate Time of Violation: 12:00PM

Description of Alleged Violation:

On or around August 13, 2009 DCP Midstream responding to a landowner concern of a possible gas leak (Duke line was tested and had no leak) uncovered a MRPC II LLC flowline with a leak along county road 18 near the intersection with county road 19 in the NE corner of Section 28 - Township 2 North - Range 67 West in Weld County. At that time, MRPC II LLC personnel placed a patch on the flowline at the location of the known leak. On Friday August 14, 2009 elevated methane concentrations along with dead vegetation were observed by Duke and COGCC staff along the north side of county road 18 at the intersection of county road 19. The COGCC feel that one or more leaks may be present in the MRPC II LLC flowline east from the recently patched section to where the flowline intersects county road 19. This investigation is COGCC complaint No. 200216887.

Act, Order, Regulation, Permit Conditions Cited:

324A.a; 901.c; 906.a, d; 909.c(2); 1102.a (1) (2).

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

Operator must either evaluate the flowline via hydrotesting or perform methane soil gas investigation of the subject section for possible leaks. Provide the method of investigation on a Form 27 - Site Investigation and Remediation Work Plan. Field actions must be reviewed by COGCC environmental staff prior to implementation and filed actions may be witnessed by COGCC staff.

Abatement or Corrective Action to be Completed by (date):

09/03/2009

* 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: ANDY PETERSON Title: CONSULTANT
Signature: Andy Peterson Date: 9/22/09
Company Comments: (TEST CHMCT MTHCHG)

STIMMING 08/20/09, MNAK ISOLATED MNA PATCHED FIVE LEAKS ON
THEIR 6" LINE @ RD 18; 19. TESTED LINE TO 50 PSI 9/9/09 16:00
TO 9/10/09 11:00, 19hr TEST, NO LEAKOFF. LINE IS CURRENTLY SHUT IN.

*** 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 of five days after the date it is mailed, whichever is earlier. Each violation must be abated within the prescribed time upon receipt of this Notice, reported to the Colorado Oil and Gas Conservation Commission at the address shown above, and postmarked no later than the next business day after the prescribed time for abatement. Should abatement or corrective action fail to occur, the Director may make application to the Commission for an Order Finding Violation. Proper and timely abatement does not necessarily preclude the assessment of penalties and an Order Finding Violation.

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. Such proposed penalty amount will be limited to \$10,000.00 per violation if the violation does not result in significant waste of oil and gas resources, damage to correlative rights, or a significant adverse impact on public health, safety, or welfare. Such proposed penalty amount may be increased if aggravating factors indicate the violation: was intentional or reckless; had, or threatened to have, a significant negative impact on public health, safety, or welfare; resulted in significant waste of oil and gas resources; had a significant negative impact on correlative rights of other parties; resulted in impact on public health, safety, or welfare; resulted in significant waste of oil and gas resources; had a significant negative impact on correlative rights of other parties; resulted in, or threatened to result in, significant loss or damage to public or private property; involved recalcitrance or recidivism upon the part of the violator; involved intentional false reporting or record keeping; resulted in economic benefit to the violator. Such proposed penalty amount may be decreased if mitigating factors indicate the violator: self-reported; promptly, effectively and prudently responded to the violation; cooperated with the Commission or other agencies with respect to the violation; could not reasonably control, or be responsible for, the cause of the violation; made a good faith effort to comply with applicable requirements prior to the Commission learning of the violation; had any economic benefit reduced or eliminated due to the cost of correcting the violation; has demonstrated a history of compliance with Commission rules, regulations, and orders. The Commission has final authority over the penalty amount assessed. The Commission or other agencies with respect to the violation: could not reasonably control, or be responsible for, the cause of the violation; had any economic benefit reduced or eliminated due to the cost of correcting the violation; made a good faith effort to comply with applicable requirements prior to the Commission learning of the violation; had any economic benefit reduced or eliminated due to the cost of correcting the violation; has demonstrated a history of compliance with Commission rules, regulations, and orders. The Commission has final authority over the penalty amount assessed.

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, 206, 207, 208, 302, 308, 309, 310, 316A, 321, 322, 328, 329, 330, 331, 332, 401
BASE FINE \$750.00 PER DAY PER VIOLATION: RULES 605, 606A, 606B, 607
BASE FINE \$1,000.00 PER DAY PER VIOLATION: RULES 209, 301, 303, 305, 306, 316B, 317, 317A, 318, 319, 320, 323, 324, 325, 326, 327, 333, 404, 602, 603, 604, 703, 704, 705, 706, 707, 708, 709, 711, 802, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 1002, 1003, 1004, 1101, 1102, 1103

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:

Resolution Approved by:

Signature: [Signature] Date: 8/20/09 Time: 15:48
Signature: [Signature] Date: 9/30/09