



DEPARTMENT OF NATURAL RESOURCES

John W. Hickenlooper, Governor

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July 21, 2011

Mr. Gene Webb
Grynberg, Jack
d/b/a Grynberg Petroleum Co.
3600 S. Yosemite Street
Suite 900
Denver, Colorado 80237

RE: Hiawatha Deep #4-36
API Number: 05-081-07427
SWSW 36, T12N, R101W, 6th PM
Moffat County, Colorado

Dear Mr. Webb:

As you may be aware, Colorado Oil and Gas Conservation Commission (COGCC) Staff issued a Notice of Alleged Violation (NOAV) for the above-referenced well on May 16, 2011 (see attached Document No. 200310359), with a Corrective Action deadline of June 15, 2011. The NOAV was sent to the attention of Jessica Wood, who, I've just been informed, is no longer with Grynberg Petroleum. It was recommended that I direct this correspondence to you.

To date, COGCC Staff has not received a request from Grynberg, Jack d/b/a Grynberg Petroleum Co. (Grynberg) to extend the Corrective Action deadline, and COGCC Staff has not received any type of correspondence, written or verbal, to clarify any part of the NOAV.

The NOAV required submittal of Form 5 (Drilling Completion Report), Form 5A (Completed Interval Report), and copies of related logs, cement tickets, downhole data, and GPS data in accordance with Rule 308A and Rule 308B. Based on a lack of any such data in COGCC's well file on July 21, 2011, it appears that Grynberg has not made a good faith effort to comply with the alleged violations cited in the NOAV. Therefore, COGCC Staff will be recommending further enforcement by our hearings group, likely to be docketed for the September 2011 hearing. Enforcement would be in the form of an Administrative Order by Consent or an Order Finding Violation with a proposed fine, unless Grynberg complies with the required corrective actions shown below.

DEPARTMENT OF NATURAL RESOURCES: Mike King, Executive Director

COGCC COMMISSION: Richard Alward – Thomas L. Compton – DeAnn Craig – Mark Cutright – Michael Dowling – Mike King – Chris Urbina

COGCC STAFF: David Neslin, Director – Margaret Ash, Field Inspection Manager – Debbie Baldwin, Environmental Manager – Stuart Ellsworth, Engineering Manager

July 21, 2011

I strongly encourage Grynberg to take immediate action to satisfy the corrective action requirements cited in the Hiawatha Deep #4-36 NOAV no later than close of business on Friday, July 29, 2011. If you believe that there are extenuating circumstances that prevented Grynberg from complying with the Hiawatha Deep #4-36 NOAV then please contact me by 5:00 PM on Monday, July 25, 2011. Otherwise, I expect a complete submittal by Friday, July 29, 2011.

Sincerely,

A handwritten signature in black ink, appearing to read 'JK' followed by a long horizontal stroke.

Jay Krabacher
Northwest Area Engineer

Enclosure

Cc: Rob Willis – COGCC Acting Hearings Manager
Stuart Ellsworth – COGCC Engineering Manager
David Andrews – COGCC Engineering Supervisor