



DEPARTMENT OF NATURAL RESOURCES
John W. Hickenlooper, Governor
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Denver, CO 80203
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www.colorado.gov/cogcc

Beeman Oil and Gas LLC, COGCC Operator Number 7125
Mr. Robert Beeman
418 Cottonwood Lane
Moab, Utah 84532

June 21, 2013

RE: Attachment Letter for Notice of Alleged Violation #200382050
Grommett #2 API # 05-067-08988, COGCC Facility # 274592 Location ID # 306894
NW ¼ NE 1/4 Section 13 Township 33 North Range 13 West N PM La Plata County Colorado

Dear Mr. Beeman,

The Colorado Oil and Gas Conservation Commission (COGCC) is issuing Notice of Alleged Violation # 200382050 to Beeman Oil and Gas based on conditions found during multiple field inspections conducted by COGCC Staff. On May 10, 2012, July 18, 2012, November 28, 2012 and May 30, 2013 Colorado Oil and Gas Conservation Commission (COGCC) Staff performed field inspections on the above referenced Facility, COGCC Field Inspection Document #'s 661700334, 668200019, 669400289 and 669400691

During the May 10, 2012 Inspection no well sign or posted 24 hour emergency contact phone was observed at the site. A corrective action date of June 22, 2012 was given to install the appropriate well sign. A corrective action date of June 22, 2012 was given to post an emergency contact telephone number for the operator. During the July 18, 2012 inspection it was observed a well sign had been installed at the location access road and the County road. This road also provides access to another facility. No sign had been installed at the location to define it from the other facility. The November 28, 2012 and May 30, 2013 inspections observed that a sign had been moved to the location, however observed during the May 30, 2013 inspection the sign was observed to be lying face down on the ground, therefore not maintained to allow for proper marking as required by Rule 210, attached photo 2.

Review of the COGCC Drilling Completion Report, COGCC Document # 1964731, show this well was spud on September 18, 2005. Review of the COGCC production records indicated the well listed as "Shut In" since September 2005 and no production records have been submitted since December 2012 as required by Rule 309. During all inspections it was observed the well casing to have no valve closing the casing in to the atmosphere as required by Rule 319. b. (1), attached photos 1 & 2. Review also shows no record of mechanical integrity test being performed or Sundry Notice submitted as required by Rule 326. b. (1).

The July 18, 2012 and May 30, 2013 inspections observed junk wood and building debris on the location, photos 3, 4 and 5. Rule 603. j. requires the removal of junk and debris.

On May 10, 2012 it was observed that brush and trees were pushed with topsoil to the perimeter of the location during construction. In addition the soil had been pushed out to construct the drilling pit with no separation of topsoil. Soil segregation, marking or documentation to facilitate reclamation is required by Rule 1002 b. (2). Rule 1002 c. requires All stockpiled soils shall be protected from degradation due to contamination, compaction and, to the extent practicable, from wind and water erosion during drilling and production operations. Best management practices to prevent weed establishment and to maintain soil microbial activity shall be implemented. Leaving dead trees and brush to leach into soil would not be considered protecting soils from degradation. As stated above weeds had not been controlled and no management practices to prevent erosion were observed, photos 7-10.

No storm water Best Management Practices (BMP's) had been installed to prevent site degradation due to erosion as required by Rule 1002 f. (2) C. & D.. Areas of location not in use had not been reclaimed and there was no observed evidence of weed control. The location had not been stabilized to prevent erosion from storm water events.

Rule 1003 a. requires debris and waste materials associated with the drilling, re-entry, or completion operations shall be removed. Tree and brush piles produced during location construction have not been removed, photos 7-10. Rule 1003 b. requires interim reclamation be commenced within twelve (12) months. Rule 1003 d. (2). requires operators ensure soils meet concentration levels set forth in COGCC Table 910, then close the drilling pit no later than six (6) months after drilling and completion activities conclude. Inspections observe that drilling pit is open and drill cuttings are visible on the surface photos 11 & 12. No location minimization has occurred as required by Rule 1003 e. (2)

Abatement or Corrective action and Corrective Action Dates

Within ten (10) days of receipt of this Notice of Alleged Violation submit to COGCC a compliance plan for the performance and completion of the following Abatements and/or Corrective Actions;

- 1) Install appropriate equipment to close casing to atmosphere immediately.
- 2) Submit production records as required.
- 3) Submit Sundry Notice Form 4 to maintain Temporarily Abandon Status
- 4) Perform successful Mechanical Integrity Test (MIT) within twenty (20) days. If test is not witnessed by COGCC Staff provide necessary adequate documentation of test within three days of test performance. In lieu of performing MIT, notify COGCC of such plans and properly plug and abandon well within six (6) months.
- 5) Remove all debris including, but not limited to trash, debris, brush piles and used tires within twenty (20) days.

- 6) Sample pit in accordance with 900 Series rules within twenty (20) days. Due to the length of time this pit has remained open (since 2004), submit pit testing analytical results to COGCC on a Form 27. If within table 910 standards, close pit and reclaim area as required.
- 7) Within twenty (20) days install Best Management Practices to prevent site degradation from erosion.
- 8) Within thirty (30) days provide a weed control plan to COGCC and implement plan.
- 9) Within thirty (30) days provide interim reclamation plan to COGCC and begin interim reclamation as required by 1000 Series Rules.

The Colorado Oil and Gas Conservation Commission look forward to working with Beeman Oil and Gas LLC to bring this site into compliance. If you have any questions or comments please contact me at (719) 647-9715 or at mike.leonard@state.co.us

Sincerely,

Mike Leonard
Southern Colorado Field Inspection Supervisor
Colorado Oil and Gas Conservation Commission

Cc: Steve Labowskie, COGCC SSW Field Inspector
Peter Gowen, COGCC Enforcement Officer
Bob Koehler, COGCC Engineering Tech

Attachments:

1. Notice of Alleged Violation #
2. Photographs 05/30/2013 Field Inspection