

From: [Diana Burn - DNR](#)
To: "connie.green@energy-alliance.net"; "rick.wightman@energy-alliance.net"
Cc: [Andrew Stone - DNR](#)
Subject: GROTTO ROUGE #1-30 009-06581 WARNING LETTER
Date: Monday, November 24, 2014 9:29:00 PM
Attachments: [image001.png](#)

An inspection of this well (Doc. [668500558](#)) has required corrective actions (CA Date 2/25/14) and COGCC records indicate the well has not produced in over 2 years. A well without production needs to be tested for mechanical integrity within 24 months of being shut-in. This well's previous 2 inspections [663901484](#) and [200228823](#) both show as ACTION REQUIRED.

This well needs to pass an MIT by February 15, 2015. If the well is to be plugged, it should be plugged by May 15, 2015. An MIT requires 10 days written notice via Form 42.

Please consider this as a notice of the well being out of compliance and submit a plan for returning the well to compliance. This plan should be received by December 4, 2014. You can email your plan directly to me.

It is recommended that the corrective actions are taken seriously and that the well is brought into compliance. Non-compliance will be referred for enforcement.

This Warning Letter is to inform you that the oil and gas facility or the oil and gas operations listed above may be in violation of the rules and regulations of the Colorado Oil and Conservation Commission ("COGCC") and corrective action is required.

There is reasonable cause to believe that a violation of the Oil and Gas Conservation Act, or of any rule, regulation, or order of the Commission, or of any permit issued by the Commission, has occurred. The Operator's compliance with this Warning Letter is required to resolve these alleged violations. This document requires the Operator to timely respond to the COGCC and to comply with directives as listed by the **December 4, 2014(PLAN), February 15, 2015(MIT)**. Failure to do so will result in the issuance of a Notice of Alleged Violation and initiation of enforcement proceedings in which COGCC will seek monetary penalties for the alleged violations pursuant to § 34-60-121, C.R.S. and Rule 523, COGCC Rules of Practice and Procedure, 2 CCR 404-1.

The COGCC requires TOP Operating to implement corrective action(s) for the conditions identified below. The listed well is out of compliance with COGCC Rules 308, 309 and 205A.

Failure to Comply with Warning Letter:

If TOP Operating fails to perform required corrective actions, COGCC will issue a Notice of Alleged Violation and seek penalties pursuant to § 34-60-121, C.R.S. and Rule 523, COGCC Rules of Practice and Procedure, 2 CCR 404-1. (Please note that the COGCC's penalty authority was recently increased to a maximum of \$15,000 per day and penalties are no longer capped at a maximum of \$10,000 per violation.)

If you have any questions about this Warning Letter, please contact me.

Thanks,

Diana

Diana Burn, P.E.
Eastern Engineering Supervisor



COLORADO
Oil & Gas Conservation
Commission

Department of Natural Resources

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