



*** NOTICE OF ALLEGED VIOLATION ***

OGCC Operator Number: 93875
Name of Operator: WALLACE OIL & GAS INC
Address: 3535 NW 58TH ST STE 940 ATTN: DAN WALLACE
City: OKLAHOMA CITY State: OK Zip: 73112
Company Representative:

Date Notice Issued:
4/29/2015

Well Name: NEWMAN Well Number: 1-7 Facility Number: 205479
Location (QtrQtr, Sec, Twp, Rng, Meridian): SWNE 7 32S 41W 6 County: BACA
API Number: 05 009 05175 00 Lease Number: 8607

COGCC Representative: Bradshaw Leigh Phone Number: 303 894-2100

THE FOLLOWING ALLEGED VIOLATION WAS FOUND BY THE COGCC REPRESENTATIVE FOR THE SITE LISTED
Date of Alleged Violation: 4/29/2015 Approximate Time of Violation:
Description of Alleged Violation:
Production reports show well Shut-In November 2004 without providing documentation of well integrity with passing MIT or providing documentation the well has been properly plugged and abandoned. Operator has not submitted production reports since April 2005.

Act, Order, Regulation, Permit Conditions Cited:
Rule 326.b, All shut -in wells shall pass a mechanical integrity test. 326.f, All wells shall maintain mechanical Integrity. Rule 309, COGCC Form 7. Operator's Monthly Report of Operations

Abatement or Corrective Action Required to be Performed by Operator:*
On or before May 30, 2015, Operator must submit Form 7s to bring production records up to date. Operator must either 1) Provide proof of well integrity with passing MIT and submit sundry request for TA status or 2) Plug and abandon the well following Rule 311. Completion of required corrective action(s) will not eliminate the imposition of a penalty for past noncompliance.
Abatement or Corrective Action to be Completed by (date): 4/29/2015
* 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: Title:
Signature: Date: 4/29/2015
Company Comments:

*** THIS NOTICE CONSTITUTES A SEPARATE NOTICE OF ALLEGED VIOLATION FOR EACH VIOLATION LISTED ***

PENALTY

Penalties for violations alleged in this NOAV will be calculated pursuant to Rule 523, with daily penalties accruing pursuant to Section 34-60-121(1), C.R.S.

ANSWER

Pursuant to Rule 522.d.(2), the operator must file an Answer to this NOAV within 28 days of its receipt, or a default judgment may be entered. Hard-copy answers are filed with the Commission Secretary at the Commission's Denver office and should also be emailed to dnr_cogccenforcement@state.co.us.

Signature of COGCC Representative: Date: Time:
Resolution Approved by: Date: