



02186939

Atom Disclosures
No Hardcopy Available
CD Available in Hardcopy Folder

Lyon, Melissa J.

From: tstover0807@comcast.net
Sent: Friday, April 15, 2016 11:34 AM
To: Chicken, Brent D.; Lyon, Melissa J.
Subject: Fwd: Taylor #3 T3-4 Well Clean Up

From: BUCKJacks@aol.com
To: tstover0807@comcast.net
Sent: Wednesday, June 24, 2015 5:08:43 PM
Subject: (no subject)

PJ'S Trucking Service

713 W 4th St

Julesburg CO 80737

(303) 349-9670

6/15/2015

Statement of Account: Atom Taylor Well 3T3-4

NE NE SECTION 3-33N-12W

La Plata County, CO

Atom Petroleum, LLC

3328 N Midland Dr Suite 113

Midland Texas, 79707

(303) 883-6293

Sprayer rental two days @ 75.00 150.00

Clean out cellar/spray for weeds.

Road and Pad

Total amount due: 150

Lyon, Melissa J.

From: tstover0807@comcast.net
Sent: Friday, April 15, 2016 11:32 AM
To: Chicken, Brent D.; Lyon, Melissa J.
Subject: Fwd: Revised Atom Taylor Invoice

From: BUCKJacks@aol.com
To: tstover0807@comcast.net
Sent: Wednesday, June 24, 2015 5:24:06 PM
Subject: Revised Atom Taylor Invoice

PJ'S Trucking Service

713 W 4th St

Julesburg CO 80737

(303) 349-9670

6/15/2015

Statement of Account: Atom Taylor Well 3T3-4

NE NE SECTION 3-33N-12W

La Plata County, CO

Atom Petroleum, LLC

3328 N Midland Dr Suite 113

Midland Texas, 79707

(303) 883-6293

Sprayer rental two days @ 75.00

150.00

Clean out cellar/spray for weeds.

Road and Pad

Chemicals	215.00
------------------	---------------

Chemicals	26.00
------------------	--------------

Hours worked <u>18@20.00</u>	360.00
-------------------------------------	---------------

Mileage 280 miles Flat fee	280.00
-----------------------------------	---------------

Total amount due:	1031.00
--------------------------	----------------

La Plata Construction, Inc.

1611 Hwy 170

La Plata, NM 87418

Phone: 505-325-3000

INVOICE

Invoice Number: 3400

Invoice Date: Sep 16, 2015

Customer Name:

ATOM ENERGY

Job Name / Location:

ATOM ENERGY

Hesperus

Description	Amount
FILL: 6 LOADS @ \$300 / LOAD	1,800.00
Subtotal	1,800.00
Sales Tax	54.00
Payment Applied	1,854.00
TOTAL	0.00

Check: CK1055

Thank you for your business!

Lyon, Melissa J.

From: tstover0807@comcast.net
Sent: Friday, April 15, 2016 10:42 AM
To: Chicken, Brent D.; Lyon, Melissa J.
Subject: Fwd: COGCC FIELD INSPECTION REPORT [Doc#667700106]

From: tstover0807@comcast.net
To: "COGCC Field Inspection Report" <dnr_eforms.helpdesk@state.co.us>
Cc: "steve labowskie" <steve.labowskie@state.co.us>, "Weems" <mark.weems@state.co.us>, "larry coler" <larry.coler@state.co.us>
Sent: Saturday, December 21, 2013 11:22:42 AM
Subject: Re: COGCC FIELD INSPECTION REPORT [Doc#667700106]

Steve Labowskie:

I have received this Inspection report and will attempt to address it in the best way possible.

From the attached Field Inspection Form, it appears that there are two issues, one has to do with signage of the Taylor #3 T3-4 and the other is an issue of green dyed fluid around the Wellhead and next to the Well Surface Pit.

We engaged a Firm in Farmington to make the signage for the Location. We were scheduled to pick up the signs this week and install, however, when we went to pick up the signage, there was a incorrect piece of information that was printed and they will correct and Atom Petroleum LLC will install this signage prior to the end of 2013, which will comply with the CA Date of 1-7-2014.

As for the green dyed fluid around and/or in the cellar, this was a dye introduced to water to be able to determine whether circulation was available prior to any cement being put away in the Well. This is a non-toxic dye, similar to food coloring that was introduced by Halliburton Cement to verify that this Well had circulation. This Well has been open since 1984, with gas escaping from the Wellhead during this time. Atom has taken a great deal of time and money to workover the Taylor #3 T3-4 and cement in this Well correctly for the State as well as for the potential of Production from this Well. The gas pressure is continuing to push this green dyed fluid, which is fresh water, up the uncemented Pipe by the previous Operator and fills the Cellar of the Well. Atom has a pump that we drain the Cellar into the Pit frequently. Some of the fresh green dyed water has fallen to the surface between the Cellar of the Well and the Pit which is immediately next to the Rig Floor. Last week, we had the Rig Crew remove the frozen fresh green dyed water immediately upon receipt of this Notice. However, we still have gas pushing up additional fresh green dyed water into the Cellar subsequent to this work. Mr. Weems has been on location a number of times and understands the

contents of this fluid and the lack of hazard to the environment. This fresh green dyed water has not left the Well Pad and is immediately worked on, cleaned and cleared, at the end of each day, when we see it is not in the Cellar or in the Pit.

As for the Access Road, we did install the Vehicle Tracking Pad, as noticed. The weather has been difficult to maintain the Location Road. In the morning the ground is frozen and as the temperature rises during the day, the ground thaws and the Trucks have a difficult time in the Mud. When the weather allows, we do plan to re-grade the Access Road, however, to do that now is not efficient not is it cost effective. I've been on this Location most days and if someone is unable to drive on the Access Road, I've personally driven and either collected them or delivered them back to their vehicle rather than having them get high centered on the Access Road. Atom would prefer to have this road more passable, but, with the freezing and thawing that is occurring, it is difficult to maintain this Access Road. As aforementioned, when weather allows, Atom will re-work the Access Road.

As for Good Housekeeping Issues, the Cement cuttings are not being discharged from the Well, these are being dug out of the contained Pit and placed next to the Pit. When Atom cleans the Water Pit and sends the dirty Fresh Water into the Disposal Site, it sends along these Cement cuttings as well to be disposed. As shared under the Form 4, we are not drilling the Taylor #3 T3-4 but rather fixing the downhole issues that have been neglected since 1984/85 to determine whether this Well will be commercially productive. Atom is attempting to take good care of the environment and dispose of the Cement waste caused by properly Cementing in this Well. The CA Date, as shown is 12-17-13, will need some flexibility, since we are still Cementing under Form 4. Atom will be potentially Cementing in the 7" Intermediate Casing this week. Should we place the Cement to Surface, as required by the COGCC, this should be the last work with the Cement cuttings. Atom has disposed of at least 3 or 4 different times to the disposal site in Crouch Mesa Cement cuttings from the various Cement attempts on the 4 1/2" Production Casing.

I trust this is informative and helpful. We will continue to work with you to maintain the highest of integrity for the environment and safety of the Well.

Sincerely;

Tom Stover

Atom Petroleum, LLC

Oil and Gas Property Manager

303-883-6293

From: "COGCC Field Inspection Report" <dnr_eforms.helpdesk@state.co.us>
To: tstover0807@comcast.net
Cc: "steve labowskie" <steve.labowskie@state.co.us>
Sent: Tuesday, December 10, 2013 10:58:37 AM
Subject: COGCC FIELD INSPECTION REPORT [Doc#667700106]



DEPARTMENT OF NATURAL RESOURCES
John W. Hickenlooper, Governor
1120 Lincoln St. Suite 801
Denver, CO 80203
Phone: (303) 894-2100
FAX: (303) 894-2109
www.cogcc.state.co.us

COGCC Field Inspection Report

ATTACHED REPORT HAS BEEN SUBMITTED TO COGCC DATABASE BASED ON FIELD INSPECTION RESULTS.

PLEASE REVIEW ENTIRE REPORT. COMMENTS, UNSATISFACTORY ITEMS AND/OR VIOLATIONS AND CORRECTIVE ACTION DATES ARE HIGHLIGHTED IN RED.

Lyon, Melissa J.

From: tstover0807@comcast.net
Sent: Friday, April 15, 2016 10:37 AM
To: Chicken, Brent D.; Lyon, Melissa J.
Subject: Fwd: Doerfer #1-5 Form 27

From: tstover0807@comcast.net
To: "Hughes - DNR, Jim" <jimo.hughes@state.co.us>
Cc: robertbeeman@msn.com, startpoint@etv.net, "Alex Fischer - DNR" <alex.fischer@state.co.us>
Sent: Friday, June 13, 2014 1:34:37 PM
Subject: Re: Doerfer #1-5 Form 27

Hello Jim Hughes:

Thank you for the email on the Doerfer #1-5 as it pertains to Form 27. I spoke with both Mr. Beeman of Beeman Oil and Gas and Mr. Don Hamilton of Starpoint in regards to this Matter, yesterday. While Atom Petroleum, LLC was approved as Operator on May 1, 2014, the effective date of responsibility between Beeman Oil and Gas and Atom Petroleum was April 1, 2014. Any Matters that were effective prior to the effective date are the responsibility of Beeman Oil and Gas. Therefore, Mr. Hamilton, whom I visited with yesterday, indicated that he will correct this Matter and correctly handle this on Form 42 as requested in your email below within the next few weeks. We at Atom Petroleum will continue to work with Beeman Oil and Gas and Starpoint until this Matter is approved and accepted by the COGCC.

Sincerely;

Tom Stover

Oil and Gas Property Manager

Atom Petroleum, LLC

From: "Hughes - DNR, Jim" <jimo.hughes@state.co.us>
To: "Petroleum, Atom" <tstover0807@comcast.net>
Cc: robertbeeman@msn.com, startpoint@etv.net, "Alex Fischer - DNR" <alex.fischer@state.co.us>
Sent: Wednesday, June 11, 2014 2:32:11 PM
Subject: Doerfer #1-5 Form 27

Mr. Stover,

API #:05-083-06653
Facility ID: 297954

Location ID: 313628

The Colorado Oil and Gas Conservation Commission has received a Form 27 (Site Investigation and Remediation Workplan) for the Doerfer #1-5. Atom Petroleum is listed as the new owner on a Form 10 received by the COGCC on May 1, 2014.

The Form 27 that was submitted by Don Hamilton on April 4, 2014 is being returned for insufficiently detailing the site investigation and remediation workplan. Please note that the Form 27 is a Site Investigation and Remediation Workplan and not to be used to correct issues not related to E and P wastes.

Please submit a revised Form 27 detailing remediation activities that have occurred at this location.

- Provide confirmation sampling for the Table 910-1 constituents of soil remediation.
- Provide quantity of impacted material removed.
- Provide haul tickets and final disposition of the impacted material.

This detailed workplan shall be submitted for approval by COGCC EPS staff.

A Form 42 shall be used for "violations" and "action required" issues cited on recent field inspections that aren't related to E and P wastes.

Thank you,

Jim Hughes

Environmental Protection Specialist



COLORADO
Oil & Gas Conservation
Commission
Department of Natural Resources

P 970.259.4880 | F 970.259.4951 | C 970.903.4072

P.O. Box 4453 Durango, Colorado 81302

jjmo.hughes@state.co.us | www.colorado.gov/cogcc

Lyon, Melissa J.

From: tstover0807@comcast.net
Sent: Friday, April 15, 2016 10:35 AM
To: Chicken, Brent D.; Lyon, Melissa J.
Subject: Fwd: Doerfer #1-5 form 5 and 5A still in process.

From: "Coler - DNR, Larry" <larry.coler@state.co.us>
To: tstover0807@comcast.net
Sent: Wednesday, December 17, 2014 7:53:08 AM
Subject: Doerfer #1-5 form 5 and 5A still in process.

Tom

We requested a CBL log run by Jet West from Beeman. We also requested clarification on the completion done by Beeman. Form 5A says open hole completion but based on the form 5 casing setting depth went to TD. Please clarify clarification.

Please submit the log they did not send.

--

Larry Coler
Permit/Completion Tech



The linked image cannot be displayed. The file may have been moved, renamed, or deleted. Verify that the link points to the correct file and location.

P 303.894.2100 x5142 | F 303.894.2109

1120 Lincoln Street, Suite 801, Denver, CO 80203

larry.coler@state.co.us

Lyon, Melissa J.

From: tstover0807@comcast.net
Sent: Friday, April 15, 2016 10:32 AM
To: Chicken, Brent D.; Lyon, Melissa J.
Subject: Fwd: Taylor 3 well (067-06777)

From: tstover0807@comcast.net
To: "steve labowskie" <steve.labowskie@state.co.us>
Sent: Tuesday, May 19, 2015 5:24:06 PM
Subject: Re: Taylor 3 well (067-06777)

Hello Steve:

Thank you for your email. I will address these matters immediately. I had eye surgery earlier this year and have not see any previously submitted reports. But I will focus on this immediately. Thank you for your report.

Sincerely;
Tom Stover
Oil & Gas Property Manager
Atom Petroleum, LLC

From: "Labowskie - DNR, Steve" <steve.labowskie@state.co.us>
To: tstover0807@comcast.net
Sent: Tuesday, May 19, 2015 5:00:15 PM
Subject: Taylor 3 well (067-06777)

Mr. Stover,

I just sent a detailed report detailing continued compliance issues with your Taylor 3 well in La Plata County. I also prescribed additional corrective actions, some of which need to be addressed immediately.

Remove crude oil from cellar, it is almost overflowing now and install avian protection (or clean cellar and prevent oil accumulations).

I just tried calling your contact 24 hour contact number and got no answer and a message that your mailbox was full. You are required to maintain a valid 24 hour contact number. At this point you have surpassed a reasonable time to respond to a message or caller ID.

Steve Labowskie
Southwest Field Inspection Supervisor



P 970.259.0945 | F 303.894.2109 | C 970.946.5073

1120 Lincoln Street, Suite 801, Denver, CO 80203

steve.labowskie@state.co.us | www.colorado.gov/cogcc

Lyon, Melissa J.

From: tstover0807@comcast.net
Sent: Friday, April 15, 2016 10:29 AM
To: Chicken, Brent D.; Lyon, Melissa J.
Subject: Fwd: COGCC FIELD INSPECTION REPORT [Doc#667700635]

From: tstover0807@comcast.net
To: "COGCC Field Inspection Report" <dnr_eforms.helpdesk@state.co.us>
Cc: "steve labowskie" <steve.labowskie@state.co.us>
Sent: Wednesday, June 3, 2015 6:07:58 PM
Subject: Re: COGCC FIELD INSPECTION REPORT [Doc#667700635]

To Whom it may concern:

I received this Inspection report today, via email. Currently I am dealing with my mothers affairs, she passed away and the Memorial Service will be conducted on Friday. Once I return, I will travel to the Location and rectify all of the items shown as violations on the attached Inspection Report. Therefore, I request a period of 2 weeks to handle this Matter.

Sincerely;
Tom Stover
Oil and Gas Property Manager
Atom Petroleum, LLC

From: "COGCC Field Inspection Report" <dnr_eforms.helpdesk@state.co.us>
To: tstover0807@comcast.net
Cc: "steve labowskie" <steve.labowskie@state.co.us>
Sent: Wednesday, June 3, 2015 11:06:06 AM
Subject: COGCC FIELD INSPECTION REPORT [Doc#667700635]

DEPARTMENT OF NATURAL RESOURCES



John W. Hickenlooper, Governor

1120 Lincoln St. Suite 801

Denver, CO 80203

Phone: (303) 894-2100

FAX: (303) 894-2109

www.cogcc.state.co.us

COGCC Field Inspection Report

ATTACHED REPORT HAS BEEN SUBMITTED TO COGCC DATABASE BASED ON FIELD INSPECTION RESULTS.

PLEASE REVIEW ENTIRE REPORT. COMMENTS, ACTION REQUIRED AND ALLEGED VIOLATIONS ITEMS ARE HIGHLIGHTED IN RED.

Lyon, Melissa J.

From: tstover0807@comcast.net
Sent: Friday, April 15, 2016 10:29 AM
To: Chicken, Brent D.; Lyon, Melissa J.
Subject: Fwd: COGCC FIELD INSPECTION REPORT [Doc#667700636]

From: tstover0807@comcast.net
To: "COGCC Field Inspection Report" <dnr_eforms.helpdesk@state.co.us>
Cc: "margaret ash" <margaret.ash@state.co.us>, "jeremy ferrin" <jeremy.ferrin@state.co.us>, "steve labowskie" <steve.labowskie@state.co.us>
Sent: Wednesday, June 3, 2015 6:08:43 PM
Subject: Re: COGCC FIELD INSPECTION REPORT [Doc#667700636]

To Whom it may concern:

I received this Inspection report today, via email. Currently I am dealing with my mothers affairs, she passed away and the Memorial Service will be conducted on Friday. Once I return, I will travel to the Location and rectify all of the items shown as violations on the attached Inspection Report. Therefore, I request a period of 2 weeks to handle this Matter.

Sincerely;
Tom Stover
Oil and Gas Property Manager
Atom Petroleum, LLC

From: "COGCC Field Inspection Report" <dnr_eforms.helpdesk@state.co.us>
To: "margaret ash" <margaret.ash@state.co.us>, "jeremy ferrin" <jeremy.ferrin@state.co.us>, tstover0807@comcast.net
Cc: "steve labowskie" <steve.labowskie@state.co.us>
Sent: Wednesday, June 3, 2015 11:06:02 AM
Subject: COGCC FIELD INSPECTION REPORT [Doc#667700636]

DEPARTMENT OF NATURAL RESOURCES



John W. Hickenlooper, Governor

1120 Lincoln St. Suite 801

Denver, CO 80203

Phone: (303) 894-2100

COGCC Field Inspection Report

ATTACHED REPORT HAS BEEN SUBMITTED TO COGCC DATABASE BASED ON FIELD INSPECTION RESULTS.

PLEASE REVIEW ENTIRE REPORT. COMMENTS, ACTION REQUIRED AND ALLEGED VIOLATIONS ITEMS ARE HIGHLIGHTED IN RED.

Lyon, Melissa J.

From: tstover0807@comcast.net
Sent: Friday, April 15, 2016 10:27 AM
To: Chicken, Brent D.; Lyon, Melissa J.
Subject: Fwd: 160400073 COGCC Enforcement Proceeding

From: "Tom Stover" <tstover0807@comcast.net>
To: "Britta K. Beckstead" <Britta.Beckstead@coag.gov>
Sent: Tuesday, March 8, 2016 3:12:49 PM
Subject: RE: 160400073 COGCC Enforcement Proceeding

I met with him today. Were sharing information with him. He will contact you on the matter. Thanks Tom

From: [Britta K. Beckstead](#)
Sent: 3/8/2016 9:45 AM
To: 'tstover0807@comcast.net'
Cc: jeremy.ferrin@state.co.us
Subject: FW: 160400073 COGCC Enforcement Proceeding

Mr. Stover,

This email is to follow up from our phone conversation on February 25, 2016. In that phone call, you stated that Atom's attorney would be calling me to discuss the alleged violations. I have not been contacted by Atom's attorney. Please update me on whether Atom has obtained counsel for the purposes of Docket No. 160400073. Please also provide dates and times this week or next week that will work for Atom to discuss these alleged violations and options for moving forward. I would like to set up a meeting with Staff as soon as possible.

Thank you,

Britta Beckstead

From: Britta K. Beckstead
Sent: Thursday, February 25, 2016 7:54 AM
To: 'tstover0807@comcast.net'
Subject: 160400073 COGCC Enforcement Proceeding

Mr. Stover:

Please find attached a Notice and Application for Hearing in COGCC Enforcement Proceeding 160400073. A hard copy was mailed to Atom's address registered with the Commission today (February 3, 2016). This matter is set for hearing before the Commission on April 18-19, 2016 in Trinidad, CO.

Atom has 10 days from the date of the attached letter to contact me. If you decide to contest the violation and have the matter heard on the merits by the Commission, please contact me without delay, so that we can convene a prehearing conference in preparation for the April Commission hearing.

Sincerely,

Britta Beckstead
Assistant Attorney General
Colorado Department of Law
Natural Resources & Environment Section
(720) 508-6254
Britta.beckstead@coag.gov

[The entire original message is not included.]

Lyon, Melissa J.

From: tstover0807@comcast.net
Sent: Friday, April 15, 2016 10:27 AM
To: Chicken, Brent D.; Lyon, Melissa J.
Subject: Fwd: COGCC FIELD INSPECTION REPORT [Doc#685200046]

From: "Tom Stover" <tstover0807@comcast.net>
To: "Ferrin" <jeremy.ferrin@state.co.us>
Sent: Friday, March 11, 2016 9:20:48 AM
Subject: RE: COGCC FIELD INSPECTION REPORT [Doc#685200046]

Good morning Jeremy: We did shut all work down per your Cease and Desist Order. I'm not aware of any activities being conducted. We've spoken with Gas Marketing Firms only. I'm out of the office today, but will reconfirm that we shut all activities down and contact you Monday. Sincerely Tom Stover Atom Petroleum

From: [Ferrin - DNR, Jeremy](#)
Sent: 3/11/2016 9:08 AM
To: [Tom Stover](#)
Cc: [Margaret Ash - DNR](#); [Julie Murphy](#); [Peter](#); [Britta K. Beckstead](#); [Dave Kulmann](#); [Matt Lepore - DNR](#); [Steve Labowskie - DNR](#)
Subject: Re: COGCC FIELD INSPECTION REPORT [Doc#685200046]

Mr. Stover,
The attached inspection report confirms that Atom Petroleum is violating Cease and Desist Order No. 1C-10. The order required Atom to immediately cease all oil and gas operations at the Taylor 3 well (API No. 05-067-06777). Moreover, Atom has failed to provide the information requested in the order pursuant to Rule 205. Just so there is no confusion on Atom's part, Atom's blatant disregard for a valid cease and desist order may subject Atom to fines of up to \$15,000 per day as well as possible sanctions imposed by the La Plata County District Court.
Sincerely,

Jeremy I Ferrin
Enforcement Officer



P 303.894.2100 x5186 | F 303.894.2109
1120 Lincoln Street, Suite 801, Denver, CO 80203
jeremy.ferrin@state.co.us | www.colorado.gov/cogcc

On Thu, Mar 10, 2016 at 5:42 PM, COGCC Field Inspection Report
<dnr_eforms.helpdesk@state.co.us> wrote:



Colorado

Oil & Gas Conservation Commission

Department of Natural Resources

1120 Lincoln St. Suite 801
Denver, CO 80203

Phone: [\(303\) 894-2100](tel:(303)894-2100)

FAX: [\(303\) 894-2109](tel:(303)894-2109)

cogcc.state.co.us

COGCC Field Inspection Report

ATTACHED REPORT HAS BEEN SUBMITTED TO COGCC DATABASE BASED ON FIELD INSPECTION RESULTS.

PLEASE REVIEW ENTIRE REPORT. COMMENTS, ACTION REQUIRED AND ALLEGED VIOLATIONS ITEMS ARE HIGHLIGHTED IN RED.

[The entire original message is not included.]

Lyon, Melissa J.

From: tstover0807@comcast.net
Sent: Friday, April 15, 2016 10:26 AM
To: Chicken, Brent D.; Lyon, Melissa J.
Subject: Fwd: COGCC FIELD INSPECTION REPORT [Doc#685200046]

From: "Tom Stover" <tstover0807@comcast.net>
To: "Ferrin" <jeremy.ferrin@state.co.us>
Sent: Friday, March 11, 2016 11:30:27 AM
Subject: RE: COGCC FIELD INSPECTION REPORT [Doc#685200046]

Thank you for the video, I'm contacting the Field now.

From: [Ferrin - DNR, Jeremy](#)
Sent: 3/11/2016 9:53 AM
To: [Tom Stover](#)
Cc: [Margaret Ash - DNR](#); [Julie Murphy](#); [Peter](#); [Britta K. Beckstead](#); [Dave Kulmann](#); [Matt Lepore - DNR](#); [Steve Labowskie - DNR](#)
Subject: Re: COGCC FIELD INSPECTION REPORT [Doc#685200046]

Mr. Stover,
Your assertion that Atom shut down all operations per the Cease and Desist Order is directly contradicted by the video attached to the inspection report clearly showing continued oil and gas operations. Atom is required to comply with the cease and desist order even when you are out of town and remains subject to daily penalties of up to \$15,000 per day despite your absence.
Sincerely,

Jeremy I Ferrin
Enforcement Officer



P 303.894.2100 x5186 | F 303.894.2109
1120 Lincoln Street, Suite 801, Denver, CO 80203
jeremy.ferrin@state.co.us | www.colorado.gov/cogcc

On Fri, Mar 11, 2016 at 9:20 AM, Tom Stover <tstover0807@comcast.net> wrote:
Good morning Jeremy: We did shut all work down per your Cease and Desist Order. I'm not aware of any activities being conducted. We've spoken with Gas Marketing Firms only. I'm out of the office today, but will reconfirm that we shut all activities down and contact you Monday. Sincerely Tom Stover Atom Petroleum

From: [Ferrin - DNR, Jeremy](#)

Sent: 3/11/2016 9:08 AM

To: [Tom Stover](#)

Cc: [Margaret Ash - DNR](#); [Julie Murphy](#); [Peter](#); [Britta K. Beckstead](#); [Dave Kulmann](#); [Matt Lepore - DNR](#); [Steve Labowskie - DNR](#)

Subject: Re: COGCC FIELD INSPECTION REPORT [Doc#685200046]

Mr. Stover,

The attached inspection report confirms that Atom Petroleum is violating Cease and Desist Order No. 1C-10. The order required Atom to immediately cease all oil and gas operations at the Taylor 3 well (API No. 05-067-06777). Moreover, Atom has failed to provide the information requested in the order pursuant to Rule 205. Just so there is no confusion on Atom's part, Atom's blatant disregard for a valid cease and desist order may subject Atom to fines of up to \$15,000 per day as well as possible sanctions imposed by the La Plata County District Court.

Sincerely,

Jeremy I Ferrin
Enforcement Officer

P 303.894.2100 x5186 | F 303.894.2109

1120 Lincoln Street, Suite 801, Denver, CO 80203

jeremy.ferrin@state.co.us | www.colorado.gov/cogcc

On Thu, Mar 10, 2016 at 5:42 PM, COGCC Field Inspection Report
<dnr_eforms.helpdesk@state.co.us> wrote:



Colorado
Oil & Gas Conservation
Commission
Department of Natural Resources

1120 Lincoln St. Suite 801
Denver, CO 80203

Phone: [\(303\) 894-2100](tel:(303)894-2100)

FAX: [\(303\) 894-2109](tel:(303)894-2109)

cogcc.state.co.us

COGCC Field Inspection Report

ATTACHED REPORT HAS BEEN SUBMITTED TO COGCC DATABASE BASED ON FIELD INSPECTION RESULTS.

PLEASE REVIEW ENTIRE REPORT. COMMENTS, ACTION REQUIRED AND ALLEGED VIOLATIONS ITEMS ARE HIGHLIGHTED IN RED.

[The entire original message is not included.]

Lyon, Melissa J.

From: tstover0807@comcast.net
Sent: Friday, April 15, 2016 10:26 AM
To: Chicken, Brent D.; Lyon, Melissa J.
Subject: Fwd: COGCC FIELD INSPECTION REPORT [Doc#685200046]

From: "Tom Stover" <tstover0807@comcast.net>
To: "Ferrin" <jeremy.ferrin@state.co.us>
Sent: Friday, March 11, 2016 11:35:25 AM
Subject: RE: COGCC FIELD INSPECTION REPORT [Doc#685200046]

I'm sorry Jeremy, we have no video attached to the email. Would you please resend the video. Thanks Tom

From: [Ferrin - DNR, Jeremy](#)
Sent: 3/11/2016 9:53 AM
To: [Tom Stover](#)
Cc: [Margaret Ash - DNR](#); [Julie Murphy](#); [Peter](#); [Britta K. Beckstead](#); [Dave Kulmann](#); [Matt Lepore - DNR](#); [Steve Labowskie - DNR](#)
Subject: Re: COGCC FIELD INSPECTION REPORT [Doc#685200046]

Mr. Stover,
Your assertion that Atom shut down all operations per the Cease and Desist Order is directly contradicted by the video attached to the inspection report clearly showing continued oil and gas operations. Atom is required to comply with the cease and desist order even when you are out of town and remains subject to daily penalties of up to \$15,000 per day despite your absence.
Sincerely,

Jeremy I Ferrin
Enforcement Officer



P 303.894.2100 x5186 | F 303.894.2109
1120 Lincoln Street, Suite 801, Denver, CO 80203
jeremy.ferrin@state.co.us | www.colorado.gov/cogcc

On Fri, Mar 11, 2016 at 9:20 AM, Tom Stover <tstover0807@comcast.net> wrote:
Good morning Jeremy: We did shut all work down per your Cease and Desist Order. I'm not aware of any activities being conducted. We've spoken with Gas Marketing Firms only. I'm out of the office today, but will reconfirm that we shut all activities down and contact you Monday. Sincerely Tom Stover Atom Petroleum

From: [Ferrin - DNR, Jeremy](#)

Sent: 3/11/2016 9:08 AM

To: [Tom Stover](#)

Cc: [Margaret Ash - DNR](#); [Julie Murphy](#); [Peter](#); [Britta K. Beckstead](#); [Dave Kulmann](#); [Matt Lepore - DNR](#); [Steve Labowskie - DNR](#)

Subject: Re: COGCC FIELD INSPECTION REPORT [Doc#685200046]

Mr. Stover,

The attached inspection report confirms that Atom Petroleum is violating Cease and Desist Order No. 1C-10. The order required Atom to immediately cease all oil and gas operations at the Taylor 3 well (API No. 05-067-06777). Moreover, Atom has failed to provide the information requested in the order pursuant to Rule 205. Just so there is no confusion on Atom's part, Atom's blatant disregard for a valid cease and desist order may subject Atom to fines of up to \$15,000 per day as well as possible sanctions imposed by the La Plata County District Court.

Sincerely,

Jeremy I Ferrin
Enforcement Officer

P 303.894.2100 x5186 | F 303.894.2109

1120 Lincoln Street, Suite 801, Denver, CO 80203

jeremy.ferrin@state.co.us | www.colorado.gov/cogcc

On Thu, Mar 10, 2016 at 5:42 PM, COGCC Field Inspection Report
<dnr_eforms.helpdesk@state.co.us> wrote:



Colorado
Oil & Gas Conservation
Commission
Department of Natural Resources

1120 Lincoln St. Suite 801
Denver, CO 80203

Phone: [\(303\) 894-2100](tel:(303)894-2100)

FAX: [\(303\) 894-2109](tel:(303)894-2109)

cogcc.state.co.us

COGCC Field Inspection Report

ATTACHED REPORT HAS BEEN SUBMITTED TO COGCC DATABASE BASED ON FIELD INSPECTION RESULTS.

PLEASE REVIEW ENTIRE REPORT. COMMENTS, ACTION REQUIRED AND ALLEGED VIOLATIONS ITEMS ARE HIGHLIGHTED IN RED.

[The entire original message is not included.]

Lyon, Melissa J.

From: tstover0807@comcast.net
Sent: Friday, April 15, 2016 10:25 AM
To: Chicken, Brent D.; Lyon, Melissa J.
Subject: Fwd: COGCC FIELD INSPECTION REPORT [Doc#685200046]

From: "Tom Stover" <tstover0807@comcast.net>
To: "Ferrin" <jeremy.ferrin@state.co.us>
Sent: Friday, March 11, 2016 1:31:52 PM
Subject: RE: COGCC FIELD INSPECTION REPORT [Doc#685200046]

Thank you Jeremy.

From: [Ferrin - DNR, Jeremy](#)
Sent: 3/11/2016 11:40 AM
To: [Tom Stover](#)
Subject: Re: COGCC FIELD INSPECTION REPORT [Doc#685200046]

The video is too large to email.

Paste this link into a browser:

<http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3802985>

Jeremy I Ferrin
Enforcement Officer



P 303.894.2100 x5186 | F 303.894.2109
1120 Lincoln Street, Suite 801, Denver, CO 80203
jeremy.ferrin@state.co.us | www.colorado.gov/cogcc

On Fri, Mar 11, 2016 at 11:35 AM, Tom Stover <tstover0807@comcast.net> wrote:
I'm sorry Jeremy, we have no video attached to the email. Would you please resend the video. Thanks Tom

From: [Ferrin - DNR, Jeremy](#)
Sent: 3/11/2016 9:53 AM
To: [Tom Stover](#)
Cc: [Margaret Ash - DNR](#); [Julie Murphy](#); [Peter](#); [Britta K. Beckstead](#); [Dave Kulmann](#); [Matt Lepore - DNR](#); [Steve Labowskie - DNR](#)
Subject: Re: COGCC FIELD INSPECTION REPORT [Doc#685200046]

Mr. Stover,

Your assertion that Atom shut down all operations per the Cease and Desist Order is directly contradicted by the video attached to the inspection report clearly showing continued oil and gas operations. Atom is required to comply with the cease and desist order even when you are out of town and remains subject to daily penalties of up to \$15,000 per day despite your absence.

Sincerely,

Jeremy I Ferrin
Enforcement Officer



P 303.894.2100 x5186 | F 303.894.2109

1120 Lincoln Street, Suite 801, Denver, CO 80203

jeremy.ferrin@state.co.us |

[The entire original message is not included.]

Lyon, Melissa J.

From: tstover0807@comcast.net
Sent: Friday, April 15, 2016 10:25 AM
To: Chicken, Brent D.; Lyon, Melissa J.
Subject: Fwd: COGCC FIELD INSPECTION REPORT [Doc#685200046]

From: tstover0807@comcast.net
To: "Ferrin" <jeremy.ferrin@state.co.us>
Sent: Friday, March 11, 2016 6:08:33 PM
Subject: Re: COGCC FIELD INSPECTION REPORT [Doc#685200046]

Hello Jeremy:

Thank you for this video. With all due respect, this does not appear to be the Taylor #3 T3-4 Well location. I have placed multiple calls to the Field representative, who shared the Wells were shut in. I'll call again, but, to my knowledge, we have shut down the Wells. I will also try to compare this video to another PIC on the Taylor #3 T3-4 to verify whether this is the Taylor #3 T3-4.

Sincerely;
Tom Stover
Oil and Gas Property Manager
Atom Petroleum, LLC

From: "Ferrin - DNR, Jeremy" <jeremy.ferrin@state.co.us>
To: "Tom Stover" <tstover0807@comcast.net>
Cc: "Margaret Ash - DNR" <margaret.ash@state.co.us>, "Julie Murphy" <Julie.Murphy@state.co.us>, "Peter" <peter.gowen@state.co.us>, "Britta K. Beckstead" <britta.beckstead@coag.gov>, "Dave Kulmann" <dave.kulmann@state.co.us>, "Matt Lepore - DNR" <matt.lepore@state.co.us>, "Steve Labowskie - DNR" <steve.labowskie@state.co.us>
Sent: Friday, March 11, 2016 4:10:18 PM
Subject: Re: COGCC FIELD INSPECTION REPORT [Doc#685200046]

Mr. Stover,
Attached find another video of the Taylor well taken today at 2pm. As you can see, it is still pumping.
Sincerely,

Jeremy I Ferrin
Enforcement Officer



P 303.894.2100 x5186 | F 303.894.2109
1120 Lincoln Street, Suite 801, Denver, CO 80203
jeremy.ferrin@state.co.us | www.colorado.gov/cogcc

On Fri, Mar 11, 2016 at 9:53 AM, Ferrin - DNR, Jeremy <jeremy.ferrin@state.co.us> wrote:

Mr. Stover,

Your assertion that Atom shut down all operations per the Cease and Desist Order is directly contradicted by the video attached to the inspection report clearly showing continued oil and gas operations. Atom is required to comply with the cease and desist order even when you are out of town and remains subject to daily penalties of up to \$15,000 per day despite your absence.

Sincerely,

Jeremy I Ferrin
Enforcement Officer



P 303.894.2100 x5186 | F 303.894.2109
1120 Lincoln Street, Suite 801, Denver, CO 80203
jeremy.ferrin@state.co.us | www.colorado.gov/cogcc

On Fri, Mar 11, 2016 at 9:20 AM, Tom Stover <tstover0807@comcast.net> wrote:

Good morning Jeremy: We did shut all work down per your Cease and Desist Order. I'm not aware of any activities being conducted. We've spoken with Gas Marketing Firms only. I'm out of the office today, but will reconfirm that we shut all activities down and contact you Monday. Sincerely Tom Stover Atom Petroleum

From: [Ferrin - DNR, Jeremy](#)

Sent: 3/11/2016 9:08 AM

To: [Tom Stover](#)

Cc: [Margaret Ash - DNR](#); [Julie Murphy](#); [Peter](#); [Britta K. Beckstead](#); [Dave Kulmann](#); [Matt Lepore - DNR](#); [Steve Labowskie - DNR](#)

Subject: Re: COGCC FIELD INSPECTION REPORT [Doc#685200046]

Mr. Stover,

The attached inspection report confirms that Atom Petroleum is violating Cease and Desist Order No. 1C-10. The order required Atom to immediately cease all oil and gas operations at the Taylor 3 well (API No. 05-067-06777). Moreover, Atom has failed to provide the information requested in the order pursuant to Rule 205. Just so there is no confusion on Atom's part, Atom's blatant disregard for a valid cease and desist order may subject Atom to fines of up to \$15,000 per day as well as possible sanctions imposed by the La Plata County District Court.

Sincerely,

Jeremy I Ferrin
Enforcement Officer

P 303.894.2100 x5186 | F 303.894.2109
1120 Lincoln Street, Suite 801, Denver, CO 80203
jeremy.ferrin@state.co.us | www.colorado.gov/cogcc

On Thu, Mar 10, 2016 at 5:42 PM, COGCC Field Inspection Report
<dnr_eforms.helpdesk@state.co.us> wrote:



Colorado
Oil & Gas Conservation
Commission
Department of Natural Resources

1120 Lincoln St. Suite 801
Denver, CO 80203

Phone: [\(303\) 894-2100](tel:(303)894-2100)

FAX: [\(303\) 894-2109](tel:(303)894-2109)

cogcc.state.co.us

COGCC Field Inspection Report

ATTACHED REPORT HAS BEEN SUBMITTED TO COGCC DATABASE BASED ON
FIELD INSPECTION RESULTS.

**PLEASE REVIEW ENTIRE REPORT. COMMENTS, ACTION REQUIRED AND
ALLEGED VIOLATIONS ITEMS ARE HIGHLIGHTED IN RED.**

[The entire original message is not included.]

Lyon, Melissa J.

From: tstover0807@comcast.net
Sent: Friday, April 15, 2016 10:15 AM
To: Chicken, Brent D.; Lyon, Melissa J.
Subject: Fwd: COGCC FIELD INSPECTION REPORT [Doc#685200046]

From: tstover0807@comcast.net
To: "Ferrin" <jeremy.ferrin@state.co.us>
Sent: Monday, March 14, 2016 11:35:24 AM
Subject: Re: COGCC FIELD INSPECTION REPORT [Doc#685200046]

Hello Jeremy:

Thank you for this email.

The reason I questioned the video, is because the pumping unit appears to be painted green. I had the supervisor take some PIC's on Friday and the pumping is unpainted. The laydown tank is a loaner tank, and is also unpainted. So that is the reason I questioned.

Additionally, the supervisor, shared this Well has been shut-in for approximately 10 days to 2 weeks, dating back to when we visited. So to see the video, with what appears to be a painted pumping unit, creates questions for us. The supervisor, swears, the unit is not on and will not be running until I call him back with resolution.

I'd be happy to come down and visit this week if that would be helpful. We do not nor do we ever ignore any COGCC cease and desist orders. That's not who we are.

Sincerely;
Tom Stover
Oil and Gas Property Manager
Atom Petroleum, LLC
3323 N. Midland Dr.
Ste. 113
Midland, TX 79707

From: "Ferrin" <jeremy.ferrin@state.co.us>
To: "Tom Stover" <tstover0807@comcast.net>
Sent: Monday, March 14, 2016 8:45:06 AM
Subject: Re: COGCC FIELD INSPECTION REPORT [Doc#685200046]

It is the Taylor well.

Jeremy I Ferrin
Enforcement Officer



P 303.894.2100 x5186 | F 303.894.2109
1120 Lincoln Street, Suite 801, Denver, CO 80203
jeremy.ferrin@state.co.us | www.colorado.gov/cogcc

On Fri, Mar 11, 2016 at 6:08 PM, <tstover0807@comcast.net> wrote:
Hello Jeremy:

Thank you for this video. With all due respect, this does not appear to be the Taylor #3 T3-4 Well location. I have placed multiple calls to the Field representative, who shared the Wells were shut in. I'll call again, but, to my knowledge, we have shut down the Wells. I will also try to compare this video to another PIC on the Taylor #3 T3-4 to verify whether this is the Taylor #3 T3-4.

Sincerely;
Tom Stover
Oil and Gas Property Manager
Atom Petroleum, LLC

From: "Ferrin - DNR, Jeremy" <jeremy.ferrin@state.co.us>
To: "Tom Stover" <tstover0807@comcast.net>
Cc: "Margaret Ash - DNR" <margaret.ash@state.co.us>, "Julie Murphy" <Julie.Murphy@state.co.us>, "Peter" <peter.gowen@state.co.us>, "Britta K. Beckstead" <britta.beckstead@coag.gov>, "Dave Kulmann" <dave.kulmann@state.co.us>, "Matt Lepore - DNR" <matt.lepore@state.co.us>, "Steve Labowskie - DNR" <steve.labowskie@state.co.us>
Sent: Friday, March 11, 2016 4:10:18 PM

Subject: Re: COGCC FIELD INSPECTION REPORT [Doc#685200046]

Mr. Stover,
Attached find another video of the Taylor well taken today at 2pm. As you can see, it is still pumping.
Sincerely,

Jeremy I Ferrin
Enforcement Officer



P 303.894.2100 x5186 | F 303.894.2109
1120 Lincoln Street, Suite 801, Denver, CO 80203
jeremy.ferrin@state.co.us | www.colorado.gov/cogcc

On Fri, Mar 11, 2016 at 9:53 AM, Ferrin - DNR, Jeremy <jeremy.ferrin@state.co.us> wrote:
Mr. Stover,

Your assertion that Atom shut down all operations per the Cease and Desist Order is directly contradicted by the video attached to the inspection report clearly showing continued oil and gas operations. Atom is required to comply with the cease and desist order even when you are out of town and remains subject to daily penalties of up to \$15,000 per day despite your absence.
Sincerely,

Jeremy I Ferrin
Enforcement Officer



P 303.894.2100 x5186 | F 303.894.2109
1120 Lincoln Street, Suite 801, Denver, CO 80203
jeremy.ferrin@state.co.us | www.colorado.gov/cogcc

On Fri, Mar 11, 2016 at 9:20 AM, Tom Stover <tstover0807@comcast.net> wrote:

Good morning Jeremy: We did shut all work down per your Cease and Desist Order. I'm not aware of any activities being conducted. We've spoken with Gas Marketing Firms only. I'm out of the office today, but will reconfirm that we shut all activities down and contact you Monday. Sincerely Tom Stover Atom Petroleum

From: [Ferrin - DNR, Jeremy](#)

Sent: 3/11/2016 9:08 AM

To: [Tom Stover](#)

Cc: [Margaret Ash - DNR](#); [Julie Murphy](#); [Peter](#); [Britta K. Beckstead](#); [Dave Kulmann](#); [Matt Lepore - DNR](#); [Steve Labowskie - DNR](#)

Subject: Re: COGCC FIELD INSPECTION REPORT [Doc#685200046]

Mr. Stover,

The attached inspection report confirms that Atom Petroleum is violating Cease and Desist Order No. 1C-10. The order required Atom to immediately cease all oil and gas operations at the Taylor 3 well (API No. 05-067-06777). Moreover, Atom has failed to provide the information requested in the order pursuant to Rule 205. Just so there is no confusion on Atom's part, Atom's blatant disregard for a valid cease and desist order may subject Atom to fines of up to \$15,000 per day as well as possible sanctions imposed by the La Plata County District Court.

Sincerely,

Jeremy I Ferrin
Enforcement Officer

P 303.894.2100 x5186 | F 303.894.2109
1120 Lincoln Street, Suite 801, Denver, CO 80203
jeremy.ferrin@state.co.us | www.colorado.gov/cogcc

On Thu, Mar 10, 2016 at 5:42 PM, COGCC Field Inspection Report
<dnr_eforms.helpdesk@state.co.us> wrote:



Colorado
Oil & Gas Conservation
Commission
Department of Natural Resources

1120 Lincoln St. Suite 801
Denver, CO 80203

Phone: [\(303\) 894-2100](tel:(303)894-2100)

FAX: [\(303\) 894-2109](tel:(303)894-2109)

cogcc.state.co.us

COGCC Field Inspection Report

ATTACHED REPORT HAS BEEN SUBMITTED TO COGCC DATABASE BASED ON FIELD INSPECTION RESULTS.

PLEASE REVIEW ENTIRE REPORT. COMMENTS, ACTION REQUIRED AND ALLEGED VIOLATIONS ITEMS ARE HIGHLIGHTED IN RED.

[The entire original message is not included.]



ATOM000038



ATOM000039



ATOM000040



ATOM000041

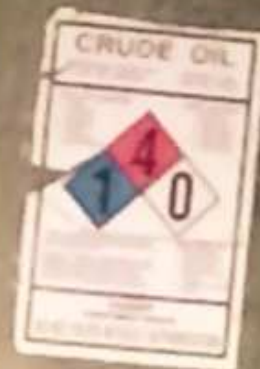
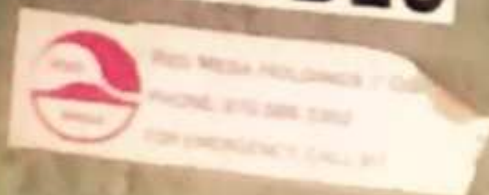


ATOM000042

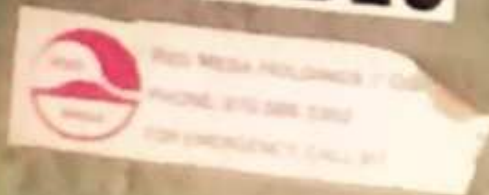


ATOM000043

210 BBLS



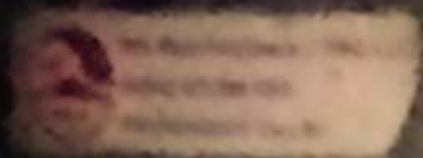
210 BBLS



1 FINE

01

210 BBLS





ATOM000047



300 BBLS



ATOM PETROLEUM
303-883-6293
TAYLOR No. 3 T3-4
NE NE SECTION 3-33N-12W
LA PLATA COUNTY, CO



ATOM000050

Lyon, Melissa J.

From: tstover0807@comcast.net
Sent: Friday, April 15, 2016 10:14 AM
To: Chicken, Brent D.; Lyon, Melissa J.
Subject: Fwd: 160400073 Proposed CMO

From: tstover0807@comcast.net
To: "Britta K. Beckstead" <Britta.Beckstead@coag.gov>
Sent: Wednesday, March 23, 2016 9:01:16 AM
Subject: Re: 160400073 Proposed CMO

Hello Britta:

Thank you for the email. I have been working on a different Project, so receiving this email was appreciated. I'll attempt to contact you late morning to discuss.

Sincerely;
Tom Stover
Oil and Gas Property Manager
Atom Petroleum, LLC

From: "Britta K. Beckstead" <Britta.Beckstead@coag.gov>
To: "Tom Stover" <tstover0807@comcast.net>
Cc: "Ferrin - DNR, Jeremy" <jeremy.ferrin@state.co.us>
Sent: Tuesday, March 22, 2016 2:29:40 PM
Subject: 160400073 Proposed CMO

Mr. Stover,

Pursuant to the Hearing Officer's Initial Setting Order, Staff and Atom have been directed to confer on a joint proposed Case Management Order, which must be filed by this Wednesday (3/23) at 5 pm. Please let me know if Atom has any thoughts on the attached proposed Case Management Order prior to that deadline. If I do not hear from you or another Atom representative by that deadline, I will submit the Case Management Order as Staff's proposal.

Please call or email me if you have any questions.

Thank you,

Britta Beckstead
Assistant Attorney General
Colorado Department of Law
Natural Resources & Environment Section
(720) 508-6254
Britta.beckstead@coag.gov

STATE OF
COLORADO**ATTACHMENT A**

Ferrin - DNR, Jeremy <jeremy.ferrin@state.co.us>

Re: Red Mesa Records Disposition

Matt Lepore - DNR <Matt.Lepore@state.co.us>

Tue, Feb 23, 2016 at 1:22 PM

To: tstover0807@comcast.net, Peter Gowen - DNR <peter.gowen@state.co.us>, Margaret Ash - DNR <margaret.ash@state.co.us>, Julie Murphy - DNR <julie.murphy@state.co.us>, Jeremy Ferrin - DNR <jeremy.ferrin@state.co.us>, Dave Kulmann <dave.kulmann@state.co.us>

Cc: Kathleen Staks <kathleen.staks@state.co.us>, Robert Randall <robert.randall@state.co.us>, Todd Hartman <todd.hartman@state.co.us>

Mr. Stover:

By the authority granted my under Colorado Revised Statutes section 34-60-121(5)(a), I am ordering Hoshi Energy, LLC and Atom Petroleum, LLC to immediately cease and desist oil and gas operations at the Taylor 3 well (API No. 05-067-06777) and at wells or locations formerly owned by Red Mesa Holdings/O&G LLC.

A Cease and Desist Order is attached.

Failure to cease oil and gas operations and comply with the terms of the enclosed Cease & Desist Order may lead the Commission to seek additional legal remedies available under the Oil and Gas Conservation Act and its implementing Rules.

Matthew Lepore

Matthew J. Lepore
Director

From: tstover0807@comcast.net [mailto:tstover0807@comcast.net]**Sent:** Friday, February 12, 2016 12:57 PM**To:** peter.gowen@state.co.us; margaret.ash@state.co.us; julie.murphy@state.co.us; matt.lepore@state.co.us; jeremy.ferrin@state.co.us; dave.kulmann@state.co.us**Cc:** atgiuliano@giulianomiller.com; REdwards@giulianomiller.com**Subject:** Re: Red Mesa Records Disposition

Good Morning:

[Quoted text hidden]



Cease and Desist Order - Atom and Hoshi.pdf

121K

STATE OF
COLORADO

Ferrin - DNR, Jeremy <jeremy.ferrin@state.co.us>

COGCC FIELD INSPECTION REPORT [Doc#685200046]

COGCC Field Inspection Report <dnr_eforms.helpdesk@state.co.us>

Thu, Mar 10, 2016 at 5:42 PM

To: tstover0807@comcast.net, jeremy.ferrin@state.co.us, margaret.ash@state.co.us, julie.murphy@state.co.us, peter.gowen@state.co.us, britta.beckstead@coag.gov, dave.kulmann@state.co.us, matt.lepore@state.co.us

Cc: steve.labowskie@state.co.us

**Colorado**
Oil & Gas Conservation
Commission

Department of Natural Resources


1120 Lincoln St. Suite 801
Denver, CO 80203

Phone: (303) 894-2100

FAX: (303) 894-2109

cogcc.state.co.us

COGCC Field Inspection ReportATTACHED REPORT HAS BEEN SUBMITTED TO COGCC DATABASE BASED
ON FIELD INSPECTION RESULTS.**PLEASE REVIEW ENTIRE REPORT. COMMENTS, ACTION REQUIRED AND
ALLEGED VIOLATIONS ITEMS ARE HIGHLIGHTED IN RED.**

 **insp_685200046.pdf**
125K

STATE OF
COLORADO

Ferrin - DNR, Jeremy <jeremy.ferrin@state.co.us>

COGCC FIELD INSPECTION REPORT [Doc#685200046]

Tom Stover <tstover0807@comcast.net>

Fri, Mar 11, 2016 at 11:30 AM

To: "Ferrin - DNR, Jeremy" <jeremy.ferrin@state.co.us>

Thank you for the video, I'm contacting the Field now.

From: Ferrin - DNR, Jeremy**Sent:** 3/11/2016 9:53 AM**To:** Tom Stover**Cc:** Margaret Ash - DNR; Julie Murphy; Peter; Britta K. Beckstead; Dave Kulmann; Matt Lepore - DNR; Steve Labowskie - DNR**Subject:** Re: COGCC FIELD INSPECTION REPORT [Doc#685200046]

Mr. Stover,

Your assertion that Atom shut down all operations per the Cease and Desist Order is directly contradicted by the video attached to the inspection report clearly showing continued oil and gas operations. Atom is required to comply with the cease and desist order even when you are out of town and remains subject to daily penalties of up to \$15,000 per day despite your absence.

Sincerely,

Jeremy I Ferrin
Enforcement Officer**COLORADO**
Oil & Gas Conservation
Commission
Department of Natural Resources

P 303.894.2100 x5186 | F 303.894.2109

1120 Lincoln Street, Suite 801, Denver, CO 80203

jeremy.ferrin@state.co.us | www.colorado.gov/cogcc

On Fri, Mar 11, 2016 at 9:20 AM, Tom Stover <tstover0807@comcast.net> wrote:

Good morning Jeremy: We did shut all work down per your Cease and Desist Order. I'm not aware of any activities being conducted. We've spoken with Gas Marketing Firms only. I'm out of the office today, but will reconfirm that we shut all activities down and contact you Monday. Sincerely Tom Stover Atom Petroleum

From: Ferrin - DNR, Jeremy**Sent:** 3/11/2016 9:08 AM**To:** Tom Stover**Cc:** Margaret Ash - DNR; Julie Murphy; Peter; Britta K. Beckstead; Dave Kulmann; Matt Lepore - DNR; Steve Labowskie - DNR**Subject:** Re: COGCC FIELD INSPECTION REPORT [Doc#685200046]

Mr. Stover,

The attached inspection report confirms that Atom Petroleum is violating Cease and Desist Order No. 1C-10. The order required Atom to immediately cease all oil and gas operations at the Taylor 3 well (API No. 05-067-06777). Moreover, Atom has failed to provide the information requested in the order pursuant to Rule 205. Just so there is no confusion on Atom's part, Atom's blatant disregard for a valid cease and desist order may subject Atom to fines of up to \$15,000 per day as well as possible sanctions imposed by the La Plata County District Court.

Sincerely,

Jeremy I Ferrin
Enforcement Officer

co_dnr_div_ogcc_300_rgb_ltrhd_v3

ATOM000056

P 303.894.2100 x5186 | F 303.894.2109

1120 Lincoln Street, Suite 801, Denver, CO 80203

jeremy.ferrin@state.co.us | www.colorado.gov/cogcc

On Thu, Mar 10, 2016 at 5:42 PM, COGCC Field Inspection Report <dnr_eforms.helpdesk@state.co.us> wrote:



Colorado Oil & Gas Conservation Commission

Department of Natural Resources

1120 Lincoln St. Suite 801
Denver, CO 80203

Phone: (303) 894-2100

FAX: (303) 894-2109

cogcc.state.co.us

COGCC Field Inspection Report

ATTACHED REPORT HAS BEEN SUBMITTED TO COGCC DATABASE BASED ON FIELD INSPECTION RESULTS.

PLEASE REVIEW ENTIRE REPORT. COMMENTS, ACTION REQUIRED AND ALLEGED VIOLATIONS ITEMS ARE HIGHLIGHTED IN RED.

[The entire original message is not included.]

STATE OF
COLORADO

Ferrin - DNR, Jeremy <jeremy.ferrin@state.co.us>

COGCC FIELD INSPECTION REPORT [Doc#685200046]

Ferrin - DNR, Jeremy <jeremy.ferrin@state.co.us>

Fri, Mar 11, 2016 at 4:10 PM

To: Tom Stover <tstover0807@comcast.net>

Cc: Margaret Ash - DNR <margaret.ash@state.co.us>, Julie Murphy <Julie.Murphy@state.co.us>, Peter <peter.gowen@state.co.us>, "Britta K. Beckstead" <britta.beckstead@coag.gov>, Dave Kulmann <dave.kulmann@state.co.us>, Matt Lepore - DNR <matt.lepore@state.co.us>, Steve Labowskie - DNR <steve.labowskie@state.co.us>

Mr. Stover,

Attached find another video of the Taylor well taken today at 2pm. As you can see, it is still pumping.

Sincerely,

Jeremy I Ferrin
Enforcement OfficerCOLORADO
Oil & Gas Conservation
Commission
Department of Natural ResourcesP 303.894.2100 x5186 | F 303.894.2109
1120 Lincoln Street, Suite 801, Denver, CO 80203
jeremy.ferrin@state.co.us | www.colorado.gov/cogcc

On Fri, Mar 11, 2016 at 9:53 AM, Ferrin - DNR, Jeremy <jeremy.ferrin@state.co.us> wrote:

Mr. Stover,

Your assertion that Atom shut down all operations per the Cease and Desist Order is directly contradicted by the video attached to the inspection report clearly showing continued oil and gas operations. Atom is required to comply with the cease and desist order even when you are out of town and remains subject to daily penalties of up to \$15,000 per day despite your absence.

Sincerely,

Jeremy I Ferrin
Enforcement OfficerCOLORADO
Oil & Gas Conservation
Commission
Department of Natural ResourcesP 303.894.2100 x5186 | F 303.894.2109
1120 Lincoln Street, Suite 801, Denver, CO 80203
jeremy.ferrin@state.co.us | www.colorado.gov/cogcc

On Fri, Mar 11, 2016 at 9:20 AM, Tom Stover <tstover0807@comcast.net> wrote:

Good morning Jeremy: We did shut all work down per your Cease and Desist Order. I'm not aware of any activities being conducted. We've spoken with Gas Marketing Firms only. I'm out of the office today, but will reconfirm that we shut all activities down and contact you Monday. Sincerely Tom Stover Atom Petroleum

From: Ferrin - DNR, Jeremy

Sent: 3/11/2016 9:08 AM

To: Tom Stover

Cc: Margaret Ash - DNR; Julie Murphy; Peter; Britta K. Beckstead; Dave Kulmann; Matt Lepore - DNR; Steve Labowskie - DNR

Subject: Re: COGCC FIELD INSPECTION REPORT [Doc#685200046]

ATOM000058

Mr. Stover,

The attached inspection report confirms that Atom Petroleum is violating Cease and Desist Order No. 1C-10. The order required Atom to immediately cease all oil and gas operations at the Taylor 3 well (API No. 05-067-06777). Moreover, Atom has failed to provide the information requested in the order pursuant to Rule 205. Just so there is no confusion on Atom's part, Atom's blatant disregard for a valid cease and desist order may subject Atom to fines of up to \$15,000 per day as well as possible sanctions imposed by the La Plata County District Court.

Sincerely,

Jeremy I Ferrin
Enforcement Officer

co_dnr_div_ogcc_300_rgb_ltrhd_v3

P 303.894.2100 x5186 | F 303.894.2109
1120 Lincoln Street, Suite 801, Denver, CO 80203
jeremy.ferrin@state.co.us | www.colorado.gov/cogcc

On Thu, Mar 10, 2016 at 5:42 PM, COGCC Field Inspection Report <dnr_elforms.helpdesk@state.co.us> wrote:



Colorado Oil & Gas Conservation Commission

Department of Natural Resources

1120 Lincoln St. Suite 801
Denver, CO 80203

Phone: (303) 894-2100

FAX: (303) 894-2109


cogcc.state.co.us

COGCC Field Inspection Report

ATTACHED REPORT HAS BEEN SUBMITTED TO COGCC DATABASE BASED ON FIELD INSPECTION RESULTS.

PLEASE REVIEW ENTIRE REPORT. COMMENTS, ACTION REQUIRED AND ALLEGED VIOLATIONS ITEMS ARE HIGHLIGHTED IN RED.

[The entire original message is not included.]

 **DSCN3221 (1).MOV**
16463K

STATE OF
COLORADO

Ferrin - DNR, Jeremy <jeremy.ferrin@state.co.us>

COGCC FIELD INSPECTION REPORT [Doc#685200046]

Ferrin - DNR, Jeremy <jeremy.ferrin@state.co.us>
To: Tom Stover <tstover0807@comcast.net>

Mon, Mar 14, 2016 at 8:45 AM

It is the Taylor well.

Jeremy I Ferrin
Enforcement Officer



COLORADO
Oil & Gas Conservation
Commission
Department of Natural Resources

P 303.894.2100 x5186 | F 303.894.2109
1120 Lincoln Street, Suite 801, Denver, CO 80203
jeremy.ferrin@state.co.us | www.colorado.gov/cogcc

On Fri, Mar 11, 2016 at 6:08 PM, <tstover0807@comcast.net> wrote:
Hello Jeremy:

Thank you for this video. With all due respect, this does not appear to be the Taylor #3 T3-4 Well location. I have placed multiple calls to the Field representative, who shared the Wells were shut in. I'll call again, but, to my knowledge, we have shut down the Wells. I will also try to compare this video to another PIC on the Taylor #3 T3-4 to verify whether this is the Taylor #3 T3-4.

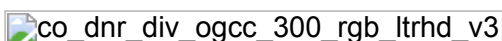
Sincerely;
Tom Stover
Oil and Gas Property Manager
Atom Petroleum, LLC

From: "Ferrin - DNR, Jeremy" <jeremy.ferrin@state.co.us>
To: "Tom Stover" <tstover0807@comcast.net>
Cc: "Margaret Ash - DNR" <margaret.ash@state.co.us>, "Julie Murphy" <Julie.Murphy@state.co.us>, "Peter" <peter.gowen@state.co.us>, "Britta K. Beckstead" <britta.beckstead@coag.gov>, "Dave Kulmann" <dave.kulmann@state.co.us>, "Matt Lepore - DNR" <matt.lepore@state.co.us>, "Steve Labowskie - DNR" <steve.labowskie@state.co.us>
Sent: Friday, March 11, 2016 4:10:18 PM

Subject: Re: COGCC FIELD INSPECTION REPORT [Doc#685200046]

Mr. Stover,
Attached find another video of the Taylor well taken today at 2pm. As you can see, it is still pumping.
Sincerely,

Jeremy I Ferrin
Enforcement Officer



P 303.894.2100 x5186 | F 303.894.2109
1120 Lincoln Street, Suite 801, Denver, CO 80203

ATOM000060

jeremy.ferrin@state.co.us | www.colorado.gov/cogcc

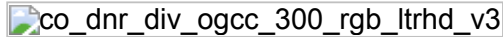
On Fri, Mar 11, 2016 at 9:53 AM, Ferrin - DNR, Jeremy <jeremy.ferrin@state.co.us> wrote:

Mr. Stover,

Your assertion that Atom shut down all operations per the Cease and Desist Order is directly contradicted by the video attached to the inspection report clearly showing continued oil and gas operations. Atom is required to comply with the cease and desist order even when you are out of town and remains subject to daily penalties of up to \$15,000 per day despite your absence.

Sincerely,

Jeremy I Ferrin
Enforcement Officer



P 303.894.2100 x5186 | F 303.894.2109

1120 Lincoln Street, Suite 801, Denver, CO 80203

jeremy.ferrin@state.co.us | www.colorado.gov/cogcc

On Fri, Mar 11, 2016 at 9:20 AM, Tom Stover <tstover0807@comcast.net> wrote:

Good morning Jeremy: We did shut all work down per your Cease and Desist Order. I'm not aware of any activities being conducted. We've spoken with Gas Marketing Firms only. I'm out of the office today, but will reconfirm that we shut all activities down and contact you Monday. Sincerely Tom Stover Atom Petroleum

From: Ferrin - DNR, Jeremy

Sent: 3/11/2016 9:08 AM

To: Tom Stover

Cc: Margaret Ash - DNR; Julie Murphy; Peter; Britta K. Beckstead; Dave Kulmann; Matt Lepore - DNR; Steve Labowskie - DNR

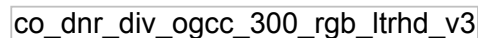
Subject: Re: COGCC FIELD INSPECTION REPORT [Doc#685200046]

Mr. Stover,

The attached inspection report confirms that Atom Petroleum is violating Cease and Desist Order No. 1C-10. The order required Atom to immediately cease all oil and gas operations at the Taylor 3 well (API No. 05-067-06777). Moreover, Atom has failed to provide the information requested in the order pursuant to Rule 205. Just so there is no confusion on Atom's part, Atom's blatant disregard for a valid cease and desist order may subject Atom to fines of up to \$15,000 per day as well as possible sanctions imposed by the La Plata County District Court.

Sincerely,

Jeremy I Ferrin
Enforcement Officer



P 303.894.2100 x5186 | F 303.894.2109

1120 Lincoln Street, Suite 801, Denver, CO 80203

jeremy.ferrin@state.co.us | www.colorado.gov/cogcc

On Thu, Mar 10, 2016 at 5:42 PM, COGCC Field Inspection Report <dnr_eforms.helpdesk@state.co.us> wrote:



Colorado

Oil & Gas Conservation Commission

Department of Natural Resources

1120 Lincoln St. Suite 801
Denver, CO 80203

Phone: (303) 894-2100

FAX: (303) 894-2109

cogcc.state.co.us

COGCC Field Inspection Report

ATTACHED REPORT HAS BEEN SUBMITTED TO COGCC DATABASE BASED ON FIELD INSPECTION RESULTS.

PLEASE REVIEW ENTIRE REPORT. **COMMENTS, ACTION REQUIRED** AND **ALLEGED VIOLATIONS ITEMS** ARE HIGHLIGHTED IN **RED**.

[The entire original message is not included.]

STATE OF
COLORADO**ATTACHMENT A**

Ferrin - DNR, Jeremy <jeremy.ferrin@state.co.us>

Re: Red Mesa Records Disposition

Matt Lepore - DNR <Matt.Lepore@state.co.us>

Tue, Feb 23, 2016 at 1:22 PM

To: tstover0807@comcast.net, Peter Gowen - DNR <peter.gowen@state.co.us>, Margaret Ash - DNR <margaret.ash@state.co.us>, Julie Murphy - DNR <julie.murphy@state.co.us>, Jeremy Ferrin - DNR <jeremy.ferrin@state.co.us>, Dave Kulmann <dave.kulmann@state.co.us>

Cc: Kathleen Staks <kathleen.staks@state.co.us>, Robert Randall <robert.randall@state.co.us>, Todd Hartman <todd.hartman@state.co.us>

Mr. Stover:

By the authority granted my under Colorado Revised Statutes section 34-60-121(5)(a), I am ordering Hoshi Energy, LLC and Atom Petroleum, LLC to immediately cease and desist oil and gas operations at the Taylor 3 well (API No. 05-067-06777) and at wells or locations formerly owned by Red Mesa Holdings/O&G LLC.

A Cease and Desist Order is attached.

Failure to cease oil and gas operations and comply with the terms of the enclosed Cease & Desist Order may lead the Commission to seek additional legal remedies available under the Oil and Gas Conservation Act and its implementing Rules.

Matthew Lepore

Matthew J. Lepore
Director

From: tstover0807@comcast.net [mailto:tstover0807@comcast.net]**Sent:** Friday, February 12, 2016 12:57 PM**To:** peter.gowen@state.co.us; margaret.ash@state.co.us; julie.murphy@state.co.us; matt.lepore@state.co.us; jeremy.ferrin@state.co.us; dave.kulmann@state.co.us**Cc:** atgiuliano@giulianomiller.com; REdwards@giulianomiller.com**Subject:** Re: Red Mesa Records Disposition

Good Morning:

[Quoted text hidden]



Cease and Desist Order - Atom and Hoshi.pdf

121K

STATE OF
COLORADO

Ferrin - DNR, Jeremy <jeremy.ferrin@state.co.us>

COGCC FIELD INSPECTION REPORT [Doc#685200046]

COGCC Field Inspection Report <dnr_eforms.helpdesk@state.co.us>

Thu, Mar 10, 2016 at 5:42 PM

To: tstoover0807@comcast.net, jeremy.ferrin@state.co.us, margaret.ash@state.co.us, julie.murphy@state.co.us, peter.gowen@state.co.us, britta.beckstead@coag.gov, dave.kulmann@state.co.us, matt.lepore@state.co.us

Cc: steve.labowskie@state.co.us

**Colorado**
Oil & Gas Conservation
Commission

Department of Natural Resources


1120 Lincoln St. Suite 801
Denver, CO 80203

Phone: (303) 894-2100

FAX: (303) 894-2109

cogcc.state.co.us

COGCC Field Inspection ReportATTACHED REPORT HAS BEEN SUBMITTED TO COGCC DATABASE BASED
ON FIELD INSPECTION RESULTS.**PLEASE REVIEW ENTIRE REPORT. COMMENTS, ACTION REQUIRED AND
ALLEGED VIOLATIONS ITEMS ARE HIGHLIGHTED IN RED.**

 **insp_685200046.pdf**
125K

STATE OF
COLORADO

Ferrin - DNR, Jeremy <jeremy.ferrin@state.co.us>

COGCC FIELD INSPECTION REPORT [Doc#685200046]

Tom Stover <tstover0807@comcast.net>

Fri, Mar 11, 2016 at 11:30 AM

To: "Ferrin - DNR, Jeremy" <jeremy.ferrin@state.co.us>

Thank you for the video, I'm contacting the Field now.

From: Ferrin - DNR, Jeremy**Sent:** 3/11/2016 9:53 AM**To:** Tom Stover**Cc:** Margaret Ash - DNR; Julie Murphy; Peter; Britta K. Beckstead; Dave Kulmann; Matt Lepore - DNR; Steve Labowskie - DNR**Subject:** Re: COGCC FIELD INSPECTION REPORT [Doc#685200046]

Mr. Stover,

Your assertion that Atom shut down all operations per the Cease and Desist Order is directly contradicted by the video attached to the inspection report clearly showing continued oil and gas operations. Atom is required to comply with the cease and desist order even when you are out of town and remains subject to daily penalties of up to \$15,000 per day despite your absence.

Sincerely,

Jeremy I Ferrin
Enforcement Officer**COLORADO**
Oil & Gas Conservation
Commission
Department of Natural ResourcesP 303.894.2100 x5186 | F 303.894.2109
1120 Lincoln Street, Suite 801, Denver, CO 80203
jeremy.ferrin@state.co.us | www.colorado.gov/cogcc

On Fri, Mar 11, 2016 at 9:20 AM, Tom Stover <tstover0807@comcast.net> wrote:

Good morning Jeremy: We did shut all work down per your Cease and Desist Order. I'm not aware of any activities being conducted. We've spoken with Gas Marketing Firms only. I'm out of the office today, but will reconfirm that we shut all activities down and contact you Monday. Sincerely Tom Stover Atom Petroleum

From: Ferrin - DNR, Jeremy**Sent:** 3/11/2016 9:08 AM**To:** Tom Stover**Cc:** Margaret Ash - DNR; Julie Murphy; Peter; Britta K. Beckstead; Dave Kulmann; Matt Lepore - DNR; Steve Labowskie - DNR**Subject:** Re: COGCC FIELD INSPECTION REPORT [Doc#685200046]

Mr. Stover,

The attached inspection report confirms that Atom Petroleum is violating Cease and Desist Order No. 1C-10. The order required Atom to immediately cease all oil and gas operations at the Taylor 3 well (API No. 05-067-06777). Moreover, Atom has failed to provide the information requested in the order pursuant to Rule 205. Just so there is no confusion on Atom's part, Atom's blatant disregard for a valid cease and desist order may subject Atom to fines of up to \$15,000 per day as well as possible sanctions imposed by the La Plata County District Court.

Sincerely,

Jeremy I Ferrin
Enforcement Officer

co_dnr_div_ogcc_300_rgb_ltrhd_v3

ATOM000066

P 303.894.2100 x5186 | F 303.894.2109

1120 Lincoln Street, Suite 801, Denver, CO 80203

jeremy.ferrin@state.co.us | www.colorado.gov/cogcc

On Thu, Mar 10, 2016 at 5:42 PM, COGCC Field Inspection Report <dnr_eforms.helpdesk@state.co.us> wrote:



Colorado Oil & Gas Conservation Commission

Department of Natural Resources

1120 Lincoln St. Suite 801
Denver, CO 80203

Phone: (303) 894-2100

FAX: (303) 894-2109

cogcc.state.co.us

COGCC Field Inspection Report

ATTACHED REPORT HAS BEEN SUBMITTED TO COGCC DATABASE BASED ON FIELD INSPECTION RESULTS.

PLEASE REVIEW ENTIRE REPORT. COMMENTS, ACTION REQUIRED AND ALLEGED VIOLATIONS ITEMS ARE HIGHLIGHTED IN RED.

[The entire original message is not included.]

STATE OF
COLORADO

Ferrin - DNR, Jeremy <jeremy.ferrin@state.co.us>

COGCC FIELD INSPECTION REPORT [Doc#685200046]

Ferrin - DNR, Jeremy <jeremy.ferrin@state.co.us>

Fri, Mar 11, 2016 at 4:10 PM

To: Tom Stover <tstover0807@comcast.net>

Cc: Margaret Ash - DNR <margaret.ash@state.co.us>, Julie Murphy <Julie.Murphy@state.co.us>, Peter <peter.gowen@state.co.us>, "Britta K. Beckstead" <britta.beckstead@coag.gov>, Dave Kulmann <dave.kulmann@state.co.us>, Matt Lepore - DNR <matt.lepore@state.co.us>, Steve Labowskie - DNR <steve.labowskie@state.co.us>

Mr. Stover,

Attached find another video of the Taylor well taken today at 2pm. As you can see, it is still pumping.

Sincerely,

Jeremy I Ferrin
Enforcement OfficerCOLORADO
Oil & Gas Conservation
Commission
Department of Natural ResourcesP 303.894.2100 x5186 | F 303.894.2109
1120 Lincoln Street, Suite 801, Denver, CO 80203
jeremy.ferrin@state.co.us | www.colorado.gov/cogcc

On Fri, Mar 11, 2016 at 9:53 AM, Ferrin - DNR, Jeremy <jeremy.ferrin@state.co.us> wrote:

Mr. Stover,

Your assertion that Atom shut down all operations per the Cease and Desist Order is directly contradicted by the video attached to the inspection report clearly showing continued oil and gas operations. Atom is required to comply with the cease and desist order even when you are out of town and remains subject to daily penalties of up to \$15,000 per day despite your absence.

Sincerely,

Jeremy I Ferrin
Enforcement OfficerCOLORADO
Oil & Gas Conservation
Commission
Department of Natural ResourcesP 303.894.2100 x5186 | F 303.894.2109
1120 Lincoln Street, Suite 801, Denver, CO 80203
jeremy.ferrin@state.co.us | www.colorado.gov/cogcc

On Fri, Mar 11, 2016 at 9:20 AM, Tom Stover <tstover0807@comcast.net> wrote:

Good morning Jeremy: We did shut all work down per your Cease and Desist Order. I'm not aware of any activities being conducted. We've spoken with Gas Marketing Firms only. I'm out of the office today, but will reconfirm that we shut all activities down and contact you Monday. Sincerely Tom Stover Atom Petroleum

From: Ferrin - DNR, Jeremy

Sent: 3/11/2016 9:08 AM

To: Tom Stover

Cc: Margaret Ash - DNR; Julie Murphy; Peter; Britta K. Beckstead; Dave Kulmann; Matt Lepore - DNR; Steve Labowskie - DNR

Subject: Re: COGCC FIELD INSPECTION REPORT [Doc#685200046]

ATOM000068

Mr. Stover,

The attached inspection report confirms that Atom Petroleum is violating Cease and Desist Order No. 1C-10. The order required Atom to immediately cease all oil and gas operations at the Taylor 3 well (API No. 05-067-06777). Moreover, Atom has failed to provide the information requested in the order pursuant to Rule 205. Just so there is no confusion on Atom's part, Atom's blatant disregard for a valid cease and desist order may subject Atom to fines of up to \$15,000 per day as well as possible sanctions imposed by the La Plata County District Court.

Sincerely,

Jeremy I Ferrin
Enforcement Officer

co_dnr_div_ogcc_300_rgb_ltrhd_v3

P 303.894.2100 x5186 | F 303.894.2109
1120 Lincoln Street, Suite 801, Denver, CO 80203
jeremy.ferrin@state.co.us | www.colorado.gov/cogcc

On Thu, Mar 10, 2016 at 5:42 PM, COGCC Field Inspection Report <dnr_eforms.helpdesk@state.co.us> wrote:



Colorado Oil & Gas Conservation Commission

Department of Natural Resources

1120 Lincoln St. Suite 801
Denver, CO 80203

Phone: (303) 894-2100

FAX: (303) 894-2109

cogcc.state.co.us

COGCC Field Inspection Report

ATTACHED REPORT HAS BEEN SUBMITTED TO COGCC DATABASE BASED ON FIELD INSPECTION RESULTS.

PLEASE REVIEW ENTIRE REPORT. COMMENTS, ACTION REQUIRED AND ALLEGED VIOLATIONS ITEMS ARE HIGHLIGHTED IN RED.

[The entire original message is not included.]



DSCN3221 (1).MOV
16463K

STATE OF
COLORADO

Ferrin - DNR, Jeremy <jeremy.ferrin@state.co.us>

COGCC FIELD INSPECTION REPORT [Doc#685200046]

Ferrin - DNR, Jeremy <jeremy.ferrin@state.co.us>
To: Tom Stover <tstover0807@comcast.net>

Mon, Mar 14, 2016 at 8:45 AM

It is the Taylor well.

Jeremy I Ferrin
Enforcement Officer



COLORADO
Oil & Gas Conservation
Commission
Department of Natural Resources

P 303.894.2100 x5186 | F 303.894.2109
1120 Lincoln Street, Suite 801, Denver, CO 80203
jeremy.ferrin@state.co.us | www.colorado.gov/cogcc

On Fri, Mar 11, 2016 at 6:08 PM, <tstover0807@comcast.net> wrote:
Hello Jeremy:

Thank you for this video. With all due respect, this does not appear to be the Taylor #3 T3-4 Well location. I have placed multiple calls to the Field representative, who shared the Wells were shut in. I'll call again, but, to my knowledge, we have shut down the Wells. I will also try to compare this video to another PIC on the Taylor #3 T3-4 to verify whether this is the Taylor #3 T3-4.


Sincerely;
Tom Stover
Oil and Gas Property Manager
Atom Petroleum, LLC

From: "Ferrin - DNR, Jeremy" <jeremy.ferrin@state.co.us>
To: "Tom Stover" <tstover0807@comcast.net>
Cc: "Margaret Ash - DNR" <margaret.ash@state.co.us>, "Julie Murphy" <Julie.Murphy@state.co.us>, "Peter" <peter.gowen@state.co.us>, "Britta K. Beckstead" <britta.beckstead@coag.gov>, "Dave Kulmann" <dave.kulmann@state.co.us>, "Matt Lepore - DNR" <matt.lepore@state.co.us>, "Steve Labowskie - DNR" <steve.labowskie@state.co.us>
Sent: Friday, March 11, 2016 4:10:18 PM

Subject: Re: COGCC FIELD INSPECTION REPORT [Doc#685200046]

Mr. Stover,
Attached find another video of the Taylor well taken today at 2pm. As you can see, it is still pumping.
Sincerely,

Jeremy I Ferrin
Enforcement Officer

co_dnr_div_ogcc_300_rgb_ltrhd_v3

P 303.894.2100 x5186 | F 303.894.2109
1120 Lincoln Street, Suite 801, Denver, CO 80203

ATOM000070

jeremy.ferrin@state.co.us | www.colorado.gov/cogcc

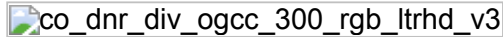
On Fri, Mar 11, 2016 at 9:53 AM, Ferrin - DNR, Jeremy <jeremy.ferrin@state.co.us> wrote:

Mr. Stover,

Your assertion that Atom shut down all operations per the Cease and Desist Order is directly contradicted by the video attached to the inspection report clearly showing continued oil and gas operations. Atom is required to comply with the cease and desist order even when you are out of town and remains subject to daily penalties of up to \$15,000 per day despite your absence.

Sincerely,

Jeremy I Ferrin
Enforcement Officer



P 303.894.2100 x5186 | F 303.894.2109

1120 Lincoln Street, Suite 801, Denver, CO 80203

jeremy.ferrin@state.co.us | www.colorado.gov/cogcc

On Fri, Mar 11, 2016 at 9:20 AM, Tom Stover <tstover0807@comcast.net> wrote:

Good morning Jeremy: We did shut all work down per your Cease and Desist Order. I'm not aware of any activities being conducted. We've spoken with Gas Marketing Firms only. I'm out of the office today, but will reconfirm that we shut all activities down and contact you Monday. Sincerely Tom Stover Atom Petroleum

From: Ferrin - DNR, Jeremy

Sent: 3/11/2016 9:08 AM

To: Tom Stover

Cc: Margaret Ash - DNR; Julie Murphy; Peter; Britta K. Beckstead; Dave Kulmann; Matt Lepore - DNR; Steve Labowskie - DNR

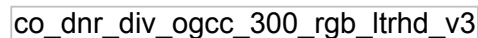
Subject: Re: COGCC FIELD INSPECTION REPORT [Doc#685200046]

Mr. Stover,

The attached inspection report confirms that Atom Petroleum is violating Cease and Desist Order No. 1C-10. The order required Atom to immediately cease all oil and gas operations at the Taylor 3 well (API No. 05-067-06777). Moreover, Atom has failed to provide the information requested in the order pursuant to Rule 205. Just so there is no confusion on Atom's part, Atom's blatant disregard for a valid cease and desist order may subject Atom to fines of up to \$15,000 per day as well as possible sanctions imposed by the La Plata County District Court.

Sincerely,

Jeremy I Ferrin
Enforcement Officer



P 303.894.2100 x5186 | F 303.894.2109

1120 Lincoln Street, Suite 801, Denver, CO 80203

jeremy.ferrin@state.co.us | www.colorado.gov/cogcc

On Thu, Mar 10, 2016 at 5:42 PM, COGCC Field Inspection Report <dnr_eforms.helpdesk@state.co.us> wrote:



Colorado

Oil & Gas Conservation Commission

Department of Natural Resources

1120 Lincoln St. Suite 801
Denver, CO 80203

Phone: (303) 894-2100

FAX: (303) 894-2109

cogcc.state.co.us

COGCC Field Inspection Report

ATTACHED REPORT HAS BEEN SUBMITTED TO COGCC DATABASE BASED ON FIELD INSPECTION RESULTS.

PLEASE REVIEW ENTIRE REPORT. **COMMENTS, ACTION REQUIRED** AND **ALLEGED VIOLATIONS ITEMS** ARE HIGHLIGHTED IN **RED**.

[The entire original message is not included.]



COLORADO
Oil & Gas Conservation
Commission

Department of Natural Resources

1120 Lincoln Street, Suite 801
Denver, CO 80203

SCANNED



WARNING LETTER #2157884

VIA CERTIFIED MAIL

June 24, 2015

Atom Petroleum LLC
Attn: Tom Stover
3323 N. Midland Dr. #113
Midland, TX 79707

Re: Doerfer 1-5, API 083-06653
SWSW Section 9-T35N-R13W
Montezuma County, Colorado

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 correction 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 **Corrective Action Deadline Date**. 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.

Alleged Violation:

Operator has yet to submit the requested Cement Bond Log run in this well and the surface cement summary required to complete the Form 5 submitted 5/28/2013. Per Rule 308A a complete and accurate Form 5 must be submitted within 60 days of setting casing. This well set casing 8/31/2009. Operator has yet to submit the requested 24 hour production test data required to complete the Form 5A submitted

P 970.625.2497 F 970.625.5682 www.colorado.gov/cogcc

Commissioners: Thomas L. Compton - Chairman, Richard Alward, John H. Benton, DeAnn Craig,

James W. Hawkins, Tommy Holton, Andrew L. Spielman, Mike King, Dr. Larry Wolk

John W. Hickenlooper, Governor | Mike King, Executive Director, DNR | Matthew J. Lepore, Director

ATOM000073



5/28/2013. Per Rule 308B a complete and accurate Form 5 must be submitted within 30 days of completing a formation. The Dakota formation was completed and first produced 10/1/2009.

Rule(s), Regulations(s), or Permit Conditions Cited: Rule 308A and Rule 308B.

How to Comply with this Warning Letter:

Submit a written response to this Warning Letter, with the required missing data, in an email to Barbara Westerdale, Permit Supervisor.

Corrective Action Deadline Date: July 8, 2015

Failure to Comply with this Warning Letter:

If Operator fails to perform the 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 the COGCC representative below.

Sincerely,

Barbara Westerdale
Permit Supervisor
Email: barbara.westerdale@state.co.us

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

ATOM PETROLEUM LLC
ATTN: TOM STOVER
3323 N. MIDLAND DR #113
MIDLAND, TX 79707

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *Erden Demirel*☒ Agent☐ Addressee

B. Received by (Printed Name)

Gordon Darnett

C. Date of Delivery

*6/30/15*D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail® ☐ Priority Mail Express™☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ Collect on Delivery

4. Restricted Delivery? (Extra Fee)

☐ Yes2. Article Number
(Transfer from service label)

7014 3490 0001 7107 9036

PS Form 3811, July 2013

Domestic Return Receipt

COGCC Rec'd 7/6/15



COLORADO

Oil & Gas Conservation
Commission

Department of Natural Resources

1120 Lincoln Street, Suite 801
Denver, CO 80203

WARNING LETTER #2157881

VIA CERTIFIED MAIL

June 3, 2015

Atom Petroleum LLC
Attn: Tom Stover
3323 N. Midland Dr. #113
Midland, TX 79707

Taylor 3, API 067-06777
NENE Section 3-T33N-R12W
La Plata County, Colorado

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 correction 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 **Corrective Action Deadline Date**. 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.

Alleged Violation:

Operator received an approved recompletion APD on 11/28/2013. Operator has not yet submitted a Form 5 or Form 5A to report work done on this approved recompletion. Per Rule 308A a Form 5 must be submitted within 30 days of work done on a well that changes its configuration. Per Rule 308B a Form 5A must be submitted within 30 days of completing a formation. These were requested at a meeting with

P 970.625.2497 F 970.625.5682 www.colorado.gov/cogcc

Commissioners: Thomas L. Compton - Chairman, Richard Alward, John H. Benton, DeAnn Craig,
James W. Hawkins, Tommy Holton, Andrew L. Spielman, Mike King, Dr. Larry Wolk

John W. Hickenlooper, Governor | Mike King, Executive Director, DNR | Matthew J. Lepore, Director

ATOM000076



Tom Stover on 5/12/2015. Tom agreed to submit these forms to the COGCC no later than 5/27/2015. As of 5/29/2015, these forms have not been received.

Rule(s), Regulations(s), or Permit Conditions Cited: Rule 308A and Rule 308B.

How to Comply with this Warning Letter:

Submit a written response to this Warning Letter, specifying how Operator will change its internal procedures to prevent recurrence of this alleged violation. Submit the requested Form 5 and Form 5A with all supporting documentation.

Corrective Action Deadline Date: June 10, 2015

Failure to Comply with this Warning Letter:

If Operator fails to perform the 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 the COGCC representative below.

Sincerely,

Barbara Westerdale
Permit Supervisor
Email: barbara.westerdale@state.co.us

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> ■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 		A. Signature X <i>[Signature]</i> <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to: ATOM PETROLEUM LLC ATTN: TOM STOVER 3323 N. MIDLAND DR. #113 MIDLAND, TX 79707		B. Received by (Printed Name) <i>Gordon Danner</i> C. Date of Delivery <i>6/6/15</i> D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
		3. Service Type <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Priority Mail Express™ <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> Collect on Delivery	
2. Article Number (Transfer from service label)		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	
		7014 0510 0002 0093 2082	

PS Form 3811, July 2013

Domestic Return Receipt

C06CC
Rev'd 6/10/2015



*** NOTICE OF ALLEGED VIOLATION ***

OGCC Operator Number: 10434
Name of Operator: ATOM PETROLEUM LLC
Address: 3323 N MIDLAND DR #113
City: MIDLAND State: TX Zip: 79707
Company Representative: TOM STOVER

Date Notice Issued:
6/17/2015

Well Name: TAYLOR Well Number: 3 Facility Number: 215172
Location (QtrQtr, Sec, Twp, Rng, Meridian): NENE 3 33N 12W N County: LA PLATA
API Number: 05 067 06777 00 Lease Number:

COGCC Representative: Stone Andrew Phone Number: 303 894-2100 X5188

THE FOLLOWING ALLEGED VIOLATION WAS FOUND BY THE COGCC REPRESENTATIVE FOR THE SITE LISTED
Date of Alleged Violation: 6/17/2015 Approximate Time of Violation:
Description of Alleged Violation:
This well has been Temporarily Abandoned (TA) for longer than 30 days without a successful MIT. Mechanical Integrity Testing for TA wells is required by rule 326.c. Rule 319.b requires annual director permission to maintain TA status beyond 6 months. There is no record of any Form 4 requesting extended TA status for this well in violation of rule 319.b. Non-compliance previously noted on 1/8/13 inspection (COGCC doc# 669400365) and 1/9/2013 inspection (COGCC doc# 669400367).

Act, Order, Regulation, Permit Conditions Cited:
319.b; 326.c

Abatement or Corrective Action Required to be Performed by Operator:
For compliance, a successful MIT is required or the well is to be properly plugged and abandoned.
Abatement or Corrective Action to be Completed by (date): 6/17/2015
* 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:
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 against the operator. Answers may be filed electronically at dnr_CogccEnforcement@state.co.us. Hard copies must be filed with the Commission's Denver office.

Signature of COGCC Representative: Andrew Stone Date: 6-17-15 Time:
Resolution Approved by: Date:
ATOM000079

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 (303) 894-2100 Fax: (303) 894-2109



FOR OGCC USE ONLY

7/10/2015

2157892

*** NOTICE OF ALLEGED VIOLATION ***

OGCC Operator Number: 10434
Name of Operator: ATOM PETROLEUM
Address: 3323 N. MIDLAND DR. #113
City: MIDLAND State: TX Zip: 79707
Company Representative: TOM STOVER

Date Notice Issued:

7/13/2015

Well Name: DOERFER Well Number: 1-5 Facility Number: 297954
Location (QtrQtr, Sec, Twp, Rng, Meridian): SWSW 9 35N 13W N County: MONTEZUMA
API Number: 05 083 06653 00 Lease Number:

COGCC Representative: Westerdale Barbara Phone Number: 303 894-2100 X.5159

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

Date of Alleged Violation: Approximate Time of Violation:

Description of Alleged Violation:

Operator has yet to submit the requested Cement Bond Log run in this well and the surface cement summary required to complete the Form 5 submitted 5/28/2013. Per Rule 308A a complete and accurate Form 5 must be submitted within 60 ays of setting casing. This well set casing 8/31/2009. Operator has yet to submit the requested 24 hour production test data required to complete the Form 5A submitted 5/28/2013. Per Rule 80B a complete and accurate Form 5A must be submitted within 30 days of completing a formation. The Dakota formation was completed and first produced 10/1/2009.

Act, Order, Regulation, Permit Conditions Cited:
RULE 308A AND RULE 308B.

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

Submit a written response to this NOAV, with the required missing data, in an email to Barbara Westerdale, Permit Supervisor.

Abatement or Corrective Action to be Completed by (date): 7/24/2015

* 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: _____
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 against the operator. Answers may be filed electronically at dnr_CogccEnforcement@state.co.us. Hard copies must be filed with the Commission's Denver office.

Signature of COGCC Representative: Barbara Westerdale Date: 7/13/2015 Time: 8:00 AM

Resolution Approved by: _____ Date: _____

ATOM000080



6/23/2015

2157885

*** NOTICE OF ALLEGED VIOLATION ***

OGCC Operator Number: 10434
Name of Operator: ATOM PETROLEUM
Address: 3323 N. MIDLAND DR #113
City: MIDLAND State: TX Zip: 79707
Company Representative: TOM STOVER

Date Notice Issued:

6/23/2015

Well Name: TAYLOR 3 Well Number: Facility Number:
Location (QtrQtr, Sec, Twp, Rng, Meridian): NENE 3 33N 12W 6 County: LA PLATA
API Number: 05 067 06777 Lease Number:

COGCC Representative: Westerdale Barbara Phone Number: 303 894-2100 X 5159

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

Date of Alleged Violation: Approximate Time of Violation:
Description of Alleged Violation:
Operator has not submitted requested Form 5 and Form 5A required per Warning Letter #2157881 to be submitted by June 10, 2015. There has been no response from Operator.

Act, Order, Regulation, Permit Conditions Cited:
Rule 308A and Rule 308B.

Abatement or Corrective Action Required to be Performed by Operator:*
Immediately submit required Form 5 and Form 5A. Daily penalties may accrue until filed.

Abatement or Corrective Action to be Completed by (date): 7/8/2015
* 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:
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 against the operator. Answers may be filed electronically at dnr_CogccEnforcement@state.co.us. Hard copies must be filed with the Commission's Denver office.

Signature of COGCC Representative: Barbara Westerdale Date: 6/24/15 Time:

Resolution Approved by: Date:

ATOM000081

State of Colorado

Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

401005448

Date Issued:

03/23/2016

NOTICE OF ALLEGED VIOLATION - ISSUED

Per Rule 522, the Director has reasonable cause to believe that a violation of the Act, or of any Commission rule, order, or permit has occurred, the Director will require the operator to remedy the violation and may commence an enforcement action seeking penalties by issuing a Notice of Alleged Violation (NOAV). Per Rule 523, an operator who violates the Act, or a Commission rule, order, or permit may be subject to a penalty imposed by Commission order.

OPERATOR INFORMATION

OGCC Operator Number: 10434

Name of Operator: ATOM PETROLEUM LLC

Address: 3323 N MIDLAND DR #113

City: MIDLAND

State: TX

Zip: 79707

Contact Name and Telephone:

Name: Tom Stover

Phone: (303) 883-6293

Fax: ()

Email: tstover0807@comcast.net

Well Location, or Facility Information (If applicable):

API Number: 05-067-06777-00

Facility or Location ID:

Name: TAYLOR

Number: 3

QtrQtr: NENE

Sec: 3

Twp: 33N

Range: 12W

Meridian: N

County: LA PLATA

ALLEGED VIOLATION

Rule: 34-60-121(1)
CRS-c

Rule Description: Statutory Violation - Cease and Desist Order Violation

Initial Discovery Date: 03/08/2016

Was this violation self-reported by the operator? No

Date of Violation:

Approximate Time of Violation:

Was this a discrete violation of obvious duration? No

Description of Alleged Violation:

Pursuant to 34-60-121(1)(a), C.R.S., any operator that violates any COGCC order is subject to a penalty of not more than fifteen thousand dollars for each act of violation per day that such violation continues. COGCC issued a Cease and Desist Order (Order No. 1C-10) to Atom Petroleum (Atom) on February 23, 2016. Pursuant to Order No. 1C-10, Atom was ordered to cease all surface operations, including equipment removal, at the Taylor Wells, which includes the Taylor #3 Well (API 05-067-06777). During a March 8, 2016 inspection of the Taylor #3 Well (Document #685200046), COGCC staff observed the well producing as documented by a video captured on that date (Document #685200049). On March 11, 2016, COGCC staff contacted Tom Stover of Atom Petroleum by electronic mail (See Attachment A) to notify him that the Taylor #3 Well was being operated in violation of Order No. 1C-10. Mr. Stover responded at 9:20 AM on March 11, 2016 (See Attachment A) stating, "[Atom] did shut all work down per your Cease and Desist Order." During a March 11, 2016 inspection of the Taylor #3 Well (Document #685200068), COGCC staff observed the well still producing as documented by a video captured at approximately 2:00 PM on that date (Document #685200070). Atom operated the Taylor #3 Well in violation of Order No. 1C-10 and 34-60-121(1)(a), C.R.S. During a March 14, 2016 inspection of the Taylor #3 Well (Document #685200069), COGCC staff observed that no production activities were taking place at the well.

Abatement or Corrective Action Required to be Performed by Operator:

Corrective Action Due Date:

Proper and timely abatement does not preclude the assessment of penalties and an Order Finding Violation.

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 judgement 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_cogccenforecment@state.co.us.

NOAV ISSUED

NOAV Issue Date: 03/23/2016

COGCC Representative Signature: Steven Mah for Margaret Ash

COGCC Representative: Ash, Margaret

Title: Field Operations Manager

Email: margaret.ash@state.co.us

Phone Num: (303) 894-2100x5110

ATTACHMENT LIST

View Attachments in Imaged Documents on COGCC website (<http://ogccweblink.state.co.us/>) - Search by Document Number.

<u>Document Number</u>	<u>Description</u>
401013216	NOAV DOCUMENTATION
401014061	NOAV COVER LETTER
401014064	NOAV CERTIFIED MAIL RECEIPT

Total Attach: 3 Files

State of Colorado

Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

400963987

Date Issued:

02/11/2016

NOTICE OF ALLEGED VIOLATION - ISSUED

Per Rule 522, the Director has reasonable cause to believe that a violation of the Act, or of any Commission rule, order, or permit has occurred, the Director will require the operator to remedy the violation and may commence an enforcement action seeking penalties by issuing a Notice of Alleged Violation (NOAV). Per Rule 523, an operator who violates the Act, or a Commission rule, order, or permit may be subject to a penalty imposed by Commission order.

OPERATOR INFORMATION

OGCC Operator Number: 10434

Name of Operator: ATOM PETROLEUM LLC

Address: 3323 N MIDLAND DR #113

City: MIDLAND State: TX Zip: 79707

Contact Name and Telephone:

Name: Tom Stover

Phone: (303) 883-6293 Fax: ()

Email: tstover0807@comcast.net

Well Location, or Facility Information (if applicable):

API Number: 05-067-06777-00

Facility or Location ID:

Name: TAYLOR

Number: 3

QtrQtr: NENE

Sec: 3

Twp: 33N

Range: 12W

Meridian: N

County: LA PLATA

ALLEGED VIOLATION

Rule: 210.d.

Rule Description: Signs and Markers Tanks and Containers

Initial Discovery Date:

Was this violation self-reported by the operator? No

Date of Violation:

Approximate Time of Violation:

Was this a discrete violation of obvious duration? No

Description of Alleged Violation:

Pursuant to Rule 210.d.(1), Operator is required to label tanks and containers with information including, but not limited to, the tank contents. During a March 24, 2015 inspection (Document #674601588), COGCC staff observed both the silver, skid-mounted, lay-down tank (Silver Tank) and the black container (Container) near the pump-jack motor at Taylor #3 (API 067-06777) lacked proper signage. Document #674601588 required Operator to correct the signage issues by April 29, 2015. During a May 18, 2015 follow up inspection (Document #667700606), COGCC staff observed that the Taylor #3 Silver Tank and Container signage issue was not corrected. Document #667700606 required Operator to correct the signage issues by May 20, 2015. During inspections on May 20, 2015 (Document #667700635); May 27, 2015 (Document #667700636); and October 29, 2015 (Document #667700733), COGCC staff observed that the Taylor #3 Silver Tank and Container signage issue was not corrected, violating Rule 210.d.(1).

Abatement or Corrective Action Required to be Performed by Operator:

Corrective Action Due Date: 04/29/2015

Proper and timely abatement does not preclude the assessment of penalties and an Order Finding Violation.

Operator shall immediately install a sign and label the Silver Tank as empty or out of service if appropriate and isolate it from the wellhead. Operator shall also label the Container, including a National Fire Protection Agency label, according to its contents.

Rule: 309

Rule Description: Operator's Monthly Production Report

Initial Discovery Date:

Was this violation self-reported by the operator?

Date of Violation:

Approximate Time of Violation:

Was this a discrete violation of obvious duration?

Description of Alleged Violation:

Operator is required to submit a Form 7 Monthly Report of Operations for each formation that is completed for each month after the well is completed. Operator was conducting completion work at Taylor #3 (API 067-06777) in February 2014 (Document #666500115), but to date no Form 7 Monthly Reports of Operation have been submitted for a new formation, violating Rule 309.

Abatement or Corrective Action Required to be Performed by Operator:

Corrective Action Due Date: 03/11/2016

Proper and timely abatement does not preclude the assessment of penalties and an Order Finding Violation.

Operator shall file all delinquent Form 7 Monthly Reports of Operations for any completed formations at Taylor #3 (API 067-06777) for which this reporting has not been completed.

Rule: 603.f

Rule Description: Statewide Equipment, Weeds, Waste, and Trash Requirements

Initial Discovery Date: _____

Was this violation self-reported by the operator? No

Date of Violation: _____

Approximate Time of Violation: _____

Was this a discrete violation of obvious duration? No

Description of Alleged Violation:

Pursuant to Rule 603.f., Operator was required to keep Taylor #3 (API 067-06777) free of weeds, rubbish, and other waste materials. During inspections on March 24, 2015 (Document #674601588); May 18, 2015 (Document #667700606); May 20, 2015 (Document #667700635); May 27, 2015 (Document #667700636); and October 29, 2015 (Document #667700733) trash, weeds, and unused equipment, including an unused belt guard, wire rope/cable, and counter balance weights, were observed on or near the site and access road. Document #667700606 noted COGCC staff observations of weeds growing in recently disturbed areas were also inhibiting re-vegetation and spreading onto nearby cropland. Document #674601588 required corrective action to remove unused equipment and trash from the location by April 29, 2015. Document #667700635 noted COGCC staff observation that these corrective actions were not completed. Operator failed to keep Taylor #3 free of weeds, trash, rubbish and other waste materials, violating Rule 603.f.

Abatement or Corrective Action Required to be Performed by Operator:

Corrective Action Due Date: 04/29/2015

Proper and timely abatement does not preclude the assessment of penalties and an Order Finding Violation.

Operator shall immediately remove all trash, weeds, and unused equipment from Taylor #3, the nearby area, and the access road.

Rule: 605.a

Rule Description: O&G Facilities - Crude Oil & Condensate Tanks

Initial Discovery Date: _____

Was this violation self-reported by the operator? No

Date of Violation: _____

Approximate Time of Violation: _____

Was this a discrete violation of obvious duration? No

Description of Alleged Violation:

Pursuant to Rule 605.a.(4), Operator is required to construct berms or secondary containment devices sufficiently impervious to contain any spilled or released material and, if above-ground, place a synthetic or engineered liner directly beneath each crude oil, condensate, and produced water tanks. During inspections on March 24, 2015 (Document #674601588); May 18, 2015 (Document #667700606); May 20, 2015 (Document #667700635); and May 27, 2015 and (Document #667700636), COGCC staff observed that Operator failed to install secondary containment around or place a liner under the silver, skid-mounted, lay-down tank (Silver Tank) at Taylor #3 (API 067-06777), and stained soil was observed around the tank and equipment. Document #674601588 required Operator to install adequate berming around the Silver Tank or remove it from the location by April 29, 2015. Documents #667700606, #667700635, and #667700636 noted that no berming was installed around the Silver Tank. During an inspection on October 29, 2015, COGCC staff observed that berming present around the Silver Tank was not compacted and was not sufficiently impervious to contain spilled and released materials and there was no liner present under the Silver Tank. Operator failed to construct a berm or secondary containment device sufficiently impervious to contain any spilled or released material around the Silver Tank and failed to place a liner under the Silver Tank, violating Rule 605.a.

Abatement or Corrective Action Required to be Performed by Operator:

Corrective Action Due Date: 04/29/2015

Proper and timely abatement does not preclude the assessment of penalties and an Order Finding Violation.

Operator shall immediately either install adequate secondary containment around the Silver Tank or remove the tank from the location.

Rule: 804

Rule Description: Visual Impact Mitigation

Initial Discovery Date: _____

Was this violation self-reported by the operator? No

Date of Violation: _____

Approximate Time of Violation: _____

Was this a discrete violation of obvious duration? No

Description of Alleged Violation:

Pursuant to Rule 804, Operator is required to paint production facilities observable from any public highway with uniform, non-contrasting, non-reflective color tones and with colors matched to but slightly darker than the surrounding landscape. During inspections on March 24, 2015 (Document #674601588); May 18, 2015 (Document #667700606); May 20, 2015 (Document #667700635); May 27, 2015 (Document #667700636); and October 29, 2015 (Document #667700733), COGCC staff observed the silver, skid-mounted, lay-down tank (Silver Tank) at Taylor #3 (API 067-06777). As noted in Document #667700733, the Silver Tank is observable from CO State Highway 140 but does not meet the visual impact mitigation requirements, violating Rule 804.

Abatement or Corrective Action Required to be Performed by Operator:

Corrective Action Due Date: 07/31/2016

Proper and timely abatement does not preclude the assessment of penalties and an Order Finding Violation.

Operator shall paint the silver Tank a dark shade of green to meet visual impact mitigation requirements.

Rule: 906.a.

Rule Description: Spills and Releases - General

Initial Discovery Date:

Was this violation self-reported by the operator? No

Date of Violation:

Approximate Time of Violation:

Was this a discrete violation of obvious duration? No

Description of Alleged Violation:

Pursuant to Rule 906.a., Operator is required to control and contain spills/releases of E&P waste or produced fluids immediately upon discovery and investigate, clean up, and document impacts from spills/releases as soon as practicable. During inspections on March 24, 2015 (Document #674601588); May 18, 2015 (Document #667700606); May 20, 2015 (Document #667700635); May 27, 2015 (Document #667700636); and October 29, 2015 (Document #667700733), COGCC staff observed stained soils around the equipment and in the wellhead cellar at Taylor #3 (API 067-06777). Document #674601588 required corrective action by April 29, 2015; Document #667700606 required corrective action by May 26, 2015; and Document #667700733 required corrective action by December 7, 2015, but to date Operator has failed to clean up this spill/release, violating Rule 906.a.

Abatement or Corrective Action Required to be Performed by Operator:

Corrective Action Due Date: 05/26/2015

Proper and timely abatement does not preclude the assessment of penalties and an Order Finding Violation.

Operator shall immediately remove stained soils around the equipment and cleanup and the spill/release at Taylor #3 while complying with the requirements of Rule 907.

Rule: 907

Rule Description: Management of E&P Waste

Initial Discovery Date:

Was this violation self-reported by the operator?

Date of Violation:

Approximate Time of Violation:

Was this a discrete violation of obvious duration?

Description of Alleged Violation:

Pursuant to Rule 907, Operator is required to properly dispose of oily waste and other E&P waste as provided in Rule 907.a, 907.e. and Rule 907.f. During an August 25, 2015 inspection (Document #677900108), COGCC staff observed oily soil from a spill at the Taylor #3 (API 067-06777) and oil spray as a result of a workover. Document #677900108 required Operator to clean up oily soil, dispose of E&P waste, and provide waste manifests and haul tickets by September 29, 2015. To date, Operator has not provided the COGCC with waste manifests and haul tickets to demonstrate oily soil and E&P waste was properly disposed, violating Rule 907.a., 907.e. and Rule 907.f.

Abatement or Corrective Action Required to be Performed by Operator:

Corrective Action Due Date: 09/29/2015

Proper and timely abatement does not preclude the assessment of penalties and an Order Finding Violation.

Operator shall clean up oily soil, dispose of E&P waste, and provide waste manifests and haul tickets to COGCC.

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 judgement 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_cogccenforecmnt@state.co.us.

NOAV ISSUED

NOAV Issue Date: 02/11/2016	
COGCC Representative Signature: Steven Mah for Steve Labowskie	
COGCC Representative: Labowskie, Steve	Title: Region (180) Field Inspec
Email: steve.labowskie@state.co.us	Phone Num: (970) 259-0945x

ATTACHMENT LIST

View Attachments in Imaged Documents on COGCC website (<http://ogccweblink.state.co.us/>) - Search by Document Number.

Document Number	Description
-----------------	-------------

--	--

Total Attach: 0 Files

**FORM
INSP**Rev
05/11**State of Colorado
Oil and Gas Conservation Commission**1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109

DE	ET	OE	ES
----	----	----	----

Inspection Date:

05/20/2015

Document Number:

667700635

Overall Inspection:

ALLEGED VIOLATION**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	215172	325653	LABOWSKIE, STEVE	<input type="checkbox"/>	

Operator Information:OGCC Operator Number: 10434Name of Operator: ATOM PETROLEUM LLCAddress: 3323 N MIDLAND DR #113City: MIDLAND State: TX Zip: 79707

- ☒ THIS IS A FOLLOW UP INSPECTION
- ☒ FOLLOW UP INSPECTION REQUIRED
- ☐ NO FOLLOW UP INSPECTION REQUIRED
- ☒ INSPECTOR REQUESTS FORM 42 WHEN CORRECTIVE ACTIONS ARE COMPLETED

Contact Information:

Contact Name	Phone	Email	Comment
Stover, Tom	(303) 883-6293	tstover0807@comcast.net	Owner

Compliance Summary:QtrQtr: NENE Sec: 3 Twp: 33N Range: 12W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
05/18/2015	667700606	TA	TA	ALLEGED VIOLATION	F		Yes
03/24/2015	674601588	TA	SI	ACTION REQUIRED	I		No
06/17/2014	667700400	TA	WK	ACTION REQUIRED			No
02/12/2014	666500115	TA	WK	SATISFACTORY			No
01/13/2014	666500114	TA	WK	SATISFACTORY			No
12/24/2013	666500113	TA	WK	SATISFACTORY			No
12/19/2013	666500112	TA	WK	SATISFACTORY			No
12/18/2013	666500111	TA	WK	SATISFACTORY			No
12/17/2013	666500109	TA	WK	SATISFACTORY			No
12/06/2013	667700106	TA	WK	ACTION REQUIRED	I		No
11/21/2013	666500108	TA	TA	SATISFACTORY			No
11/14/2013	666500098	TA	TA	SATISFACTORY			No
11/13/2013	666500094	TA	TA	SATISFACTORY			No
11/12/2013	666500093	TA	TA	SATISFACTORY			No
11/07/2013	666500092	TA	TA	SATISFACTORY			No
11/05/2013	666500084	TA	TA	SATISFACTORY			No
11/04/2013	666500081	TA	TA	SATISFACTORY			No
01/09/2013	669400367	TA	TA	ALLEGED VIOLATION			Yes
01/08/2013	669400365	TA	WK	ALLEGED VIOLATION	I		Yes
10/20/1998	500148621	HR	PA		P	Pass	No

Inspector Comment:

Inspector Name: LABOWSKIE, STEVE

Inspection conducted at 3 PM to determine if any of the immediate corrective actions prescribed in 5/18 inspection and e-mail to operator have been completed. No corrective actions were observed to have been completed. Inspector conducted FLIR gasfinder infrared camera survey in high sensitivity mode and found no gas leaking or venting from wellhead, flowline or tank.

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
215172	WELL	TA	11/10/1993		067-06777	TAYLOR 3	UN	<input checked="" type="checkbox"/>

Equipment:

Location Inventory

Special Purpose Pits: _____	Drilling Pits: _____	Wells: _____	Production Pits: _____
Condensate Tanks: _____	Water Tanks: _____	Separators: _____	Electric Motors: _____
Gas or Diesel Motors: _____	Cavity Pumps: _____	LACT Unit: _____	Pump Jacks: _____
Electric Generators: _____	Gas Pipeline: _____	Oil Pipeline: _____	Water Pipeline: _____
Gas Compressors: _____	VOC Combustor: _____	Oil Tanks: _____	Dehydrator Units: _____
Multi-Well Pits: _____	Pigging Station: _____	Flare: _____	Fuel Tanks: _____

Location

Signs/Marker:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
TANK LABELS/PLACARDS		corrective action from previous 2 inspections not performed (tank)		
TANK LABELS/PLACARDS		corrective actions from previous 2 inspections not performed (tank on pump jack)		

Emergency Contact Number (S/A/V): ACTION

Corrective Date: _____

Comment: Inspector tested contact number on 5/19/2014 and got message that "mailbox was full". Operator returned call an hour later stating that "phone was on charger"

Corrective Action: return call needs to be prompt (20 min) in future.

Good Housekeeping:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
OTHER		no housekeeping corrective actions from previous 2 inspections performed		

Spills:

Type	Area	Volume	Corrective action	CA Date
Crude Oil	WELLHEAD	<= 5 bbls	corrective action not performed, cellar still filled with crude oil and water, inadequate avian/wildlife protection, insufficient freeboard.	05/20/2015

☐ Multiple Spills and Releases?

Facilities:

☐ New Tank

Tank ID: _____

Contents	#	Capacity	Type	SE GPS
----------	---	----------	------	--------

Inspector Name: LABOWSKIE, STEVE

OTHER	1	OTHER	STEEL AST		
S/A/V:		Comment:	if tank remains as permanent it would need engineered berms and painted for visual impact mitigation.		
Corrective Action:					Corrective Date:
<u>Paint</u>					
Condition					
Other (Content)					
Other (Capacity)					
Other (Type)					
<u>Berms</u>					
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Corrective Action					Corrective Date
Comment	no berms				
<u>Venting:</u>					
Yes/No	Comment				
NO	confirmed with FLIR gasfinder camera				
<u>Flaring:</u>					
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date	

Predrill

Location ID: 215172

Site Preparation:

Lease Road Adeq.: _____ Pads: _____ Soil Stockpile: _____

S/A/V: _____

Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:**S/A/V:** _____ **Comment:** _____**CA:** _____ **Date:** _____**Wildlife BMPs:****S/A/V:** _____ **Comment:** _____**CA:** _____ **Date:** _____**Stormwater:****Comment:** _____**Staking:****On Site Inspection (305):**Surface Owner Contact Information:

Name: _____ Address: _____

Phone Number: _____ Cell Phone: _____

Operator Rep. Contact Information:

Landman Name: _____ Phone Number: _____

Date Onsite Request Received: _____ Date of Rule 306 Consultation: _____

Request LGD Attendance: _____

LGD Contact Information:

Name: _____ Phone Number: _____ Agreed to Attend: _____

Summary of Landowner Issues:Summary of Operator Response to Landowner Issues:Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:**Facility**

Facility ID: 215172 Type: WELL API Number: 067-06777 Status: TA Insp. Status: UN

Environmental**Spills/Releases:**

Type of Spill: _____ Description: _____ Estimated Spill Volume: _____

Comment: _____

Corrective Action: _____ Date: _____

Reportable: _____ GPS: Lat _____ Long _____

Proximity to Surface Water: _____ Depth to Ground Water: _____

Water Well:

	Lat	Long
DWR Receipt Num: _____	Owner Name: _____	GPS : _____
Field Parameters:		
Sample Location: _____		
Emission Control Burner (ECB): _____		
Comment: _____		
Pilot: _____	Wildlife Protection Devices (fired vessels): _____	

Reclamation - Storm Water - Pit**Interim Reclamation:**

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: _____

Comment: _____

1003a. Debris removed? _____ CM _____

CA _____ CA Date _____

Waste Material Onsite? _____ CM _____

CA _____ CA Date _____

Unused or unneeded equipment onsite? _____ CM _____

CA _____ CA Date _____

Pit, cellars, rat holes and other bores closed? _____ CM _____

CA _____ CA Date _____

Guy line anchors removed? _____ CM _____

CA _____ CA Date _____

Guy line anchors marked? _____ CM _____

CA _____ CA Date _____

1003b. Area no longer in use? _____ Production areas stabilized ? _____

1003c. Compacted areas have been cross ripped? _____

1003d. Drilling pit closed? _____ Subsidence over on drill pit? _____

Cuttings management: _____

1003e. Areas no longer needed for drilling or subsequent operations for have been re-vegetated to 80% of pre-existing? _____

Production areas have been stabilized? _____ Segregated soils have been replaced? _____

RESTORATION AND REVEGETATIONCropland

Top soil replaced _____ Recontoured _____ Perennial forage re-established _____

Non-Cropland

Top soil replaced _____ Recontoured _____ 80% Revegetation _____

1003 f. Weeds Noxious weeds? _____

Comment: _____

Overall Interim Reclamation _____ Fail _____

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____

Date Final Reclamation Completed: _____

Final Land Use: _____

Reminder: _____

Comment: _____

Well plugged _____

Pit mouse/rat holes, cellars backfilled _____

Debris removed _____

No disturbance /Location never built _____

Access Roads Regraded _____

Contoured _____

Culverts removed _____

Gravel removed _____

Location and associated production facilities reclaimed _____

Locations, facilities, roads, recontoured _____

Compaction alleviation _____

Dust and erosion control _____

Non cropland: Revegetated 80% _____

Cropland: perennial forage _____

Weeds present _____

Subsidence _____

Comment: _____

Corrective Action: _____

Date _____

Overall Final Reclamation _____

Well Release on Active Location ☐Multi-Well Location ☐**Storm Water:**

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
				SR	Fail	
				SI	Fail	

S/A/V: **ACTION REQUIRED**Corrective Date: **06/10/2015**

Comment: _____

CA: **Implement routine of self inspection, housekeeping practices and spill response in additon to responding promptly to COGCC corrective actions.**Pits: ☐ NO SURFACE INDICATION OF PIT**Attached Documents**You can go to COGCC Images (<https://cogcc.state.co.us/weblink/>) and search by document number:

Document Num	Description	URL
667700647	oil filled cellar, inadequate avian protection	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3618357
667700648	tank with flowline connected, no containment no labels	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3618358
667700649	e-mail correspondence	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3618359

**FORM
INSP**Rev
05/11**State of Colorado
Oil and Gas Conservation Commission**1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109

DE ET OE ES

Inspection Date:

05/18/2015

Document Number:

667700606

Overall Inspection:

ALLEGED VIOLATION**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	215172	325653	LABOWSKIE, STEVE	<input type="checkbox"/>	

Operator Information:OGCC Operator Number: 10434Name of Operator: ATOM PETROLEUM LLCAddress: 3323 N MIDLAND DR #113City: MIDLAND State: TX Zip: 79707

- ☒ THIS IS A FOLLOW UP INSPECTION
- ☒ FOLLOW UP INSPECTION REQUIRED
- ☐ NO FOLLOW UP INSPECTION REQUIRED
- ☒ INSPECTOR REQUESTS FORM 42 WHEN CORRECTIVE ACTIONS ARE COMPLETED

Contact Information:

Contact Name	Phone	Email	Comment
Ferrin, Jeremy		jeremy.ferrin@state.co.us	
Stanczyk, Jane		jane.stanczyk@state.co.us	
Weems, Mark		mark.weems@state.co.us	
Roy, Catherine		catherine.roy@state.co.us	
Ikenouye, Teri		teri.ikenouye@state.co.us	
Fischer, Alex		alex.fischer@state.co.us	
Ash, Margaret		margaret.ash@state.co.us	
Arthur, Denise		denise.arthur@state.co.us	
Andrews, Dave		david.andrews@state.co.us	
Hughes, Jim		jimo.hughes@state.co.us	
Stover, Tom	(303) 883-6293	tstover0807@comcast.net	Owner

Compliance Summary:

QtrQtr: <u>NENE</u>	Sec: <u>3</u>	Twp: <u>33N</u>	Range: <u>12W</u>				
Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
03/24/2015	674601588	TA	SI	ACTION REQUIRED	I		No
06/17/2014	667700400	TA	WK	ACTION REQUIRED			No
02/12/2014	666500115	TA	WK	SATISFACTORY			No
01/13/2014	666500114	TA	WK	SATISFACTORY			No
12/24/2013	666500113	TA	WK	SATISFACTORY			No
12/19/2013	666500112	TA	WK	SATISFACTORY			No
12/18/2013	666500111	TA	WK	SATISFACTORY			No
12/17/2013	666500109	TA	WK	SATISFACTORY			No
12/06/2013	667700106	TA	WK	ACTION REQUIRED	I		No
11/21/2013	666500108	TA	TA	SATISFACTORY			No
11/14/2013	666500098	TA	TA	SATISFACTORY			No

Inspector Name: LABOWSKIE, STEVE

11/13/2013	666500094	TA	TA	SATISFACTORY			No
11/12/2013	666500093	TA	TA	SATISFACTORY			No
11/07/2013	666500092	TA	TA	SATISFACTORY			No
11/05/2013	666500084	TA	TA	SATISFACTORY			No
11/04/2013	666500081	TA	TA	SATISFACTORY			No
01/09/2013	669400367	TA	TA	ALLEGED VIOLATION			Yes
01/08/2013	669400365	TA	WK	ALLEGED VIOLATION	I		Yes
10/20/1998	500148621	HR	PA		P	Pass	No

Inspector Comment:

Extensive casing repair work was conducted on well in late 2013. Currently well has pumping unit with flowline connected to an unbermed and unlabeled tank. No MIT in database, no production reported. All areas disturbed in re-establishing well have revegetated with weeds, location is within an actively farmed hay crop. Inspection conducted on 03/24/15 (doc# 674601588) prescribed 7 specific Actions Required with a due date 04/29/2015. None of these have been adequately performed by operator. This report documents the operators failure to complete these and details additional actions required.

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
215172	WELL	TA	11/10/1993		067-06777	TAYLOR 3	TA	<input checked="" type="checkbox"/>

Equipment:Location Inventory

Special Purpose Pits: _____	Drilling Pits: _____	Wells: _____	Production Pits: _____
Condensate Tanks: _____	Water Tanks: _____	Separators: _____	Electric Motors: _____
Gas or Diesel Mortors: _____	Cavity Pumps: _____	LACT Unit: _____	Pump Jacks: _____
Electric Generators: _____	Gas Pipeline: _____	Oil Pipeline: _____	Water Pipeline: _____
Gas Compressors: _____	VOC Combustor: _____	Oil Tanks: _____	Dehydrator Units: _____
Multi-Well Pits: _____	Pigging Station: _____	Flare: _____	Fuel Tanks: _____

Location**Lease Road:**

Type	Satisfactory/Action Required	comment	Corrective Action	Date
Access	ACTION REQUIRED	road overgrown with weeds	control weeds on access road	06/21/2015

Signs/Marker:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
TANK LABELS/PLACARDS	ACTION REQUIRED	corrective action prescribed on 3/24/15 inspection not performed, corrective action date has passed.	Install sign to comply with rule 210.	05/20/2015
WELLHEAD	SATISFACTORY			
TANK LABELS/PLACARDS	ACTION REQUIRED	corrective action prescribed on 3/24/15 inspection not performed, corrective action date has passed.	Install sign to comply with rule 210.	05/20/2015

Emergency Contact Number (S/A/V): SATISFACTORY

Corrective Date: _____

Comment:	
Corrective Action:	

Good Housekeeping:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
OTHER	ACTION REQUIRED	corrective action prescribed on 3/24/15 inspection not performed, corrective action date has passed.	remove stained soils from around pumping unit and wellhead	05/26/2015
OTHER	ACTION REQUIRED	corrective action prescribed on 3/24/15 inspection not performed, corrective action date has passed.	remove oil from cellar, oil also has no avian prtotection	05/20/2015
WEEDS	ACTION REQUIRED	all recently disturbed areas has revegetated with weeds	control weeds to prevent further crop damage, promote desireable revegetation	06/19/2015
UNUSED EQUIPMENT	ACTION REQUIRED	belt gaurd not in use on ground	use or remove equipment	06/02/2015

Spills:				
Type	Area	Volume	Corrective action	CA Date
Crude Oil	WELLHEAD	<= 5 bbls	remove crude oil, clean cellar, prevent futurereleases. Currently cellar does not have adequate freeboard or avian protection. Operator cited under housekeeping on previous inspection and corrective actions were not performed, follow up with COGCC EPS Jim Hughs	05/20/2015
Other			bare area of discolored soil and no vegetation indicates possible release and vegetation kill/prevention of re-vegetation. Follow up with COGCC EPS and Reclamation staff	06/19/2015

☐ Multiple Spills and Releases?

Equipment:					
Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Pump Jack	1	SATISFACTORY	natural gas engine		

Venting:		
Yes/No	Comment	
NO		

Flaring:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Predrill

Location ID: 215172

Site Preparation:

Lease Road Adeq.: _____ Pads: _____ Soil Stockpile: _____

S/A/V: _____

Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:**S/A/V:** _____ **Comment:** _____**CA:** _____ **Date:** _____**Wildlife BMPs:****S/A/V:** _____ **Comment:** _____**CA:** _____ **Date:** _____**Stormwater:****Comment:** _____**Staking:****On Site Inspection (305):****Surface Owner Contact Information:**

Name: _____ Address: _____

Phone Number: _____ Cell Phone: _____

Operator Rep. Contact Information:

Landman Name: _____ Phone Number: _____

Date Onsite Request Received: _____ Date of Rule 306 Consultation: _____

Request LGD Attendance: _____

LGD Contact Information:

Name: _____ Phone Number: _____ Agreed to Attend: _____

Summary of Landowner Issues:**Summary of Operator Response to Landowner Issues:****Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:****Facility**

Facility ID: 215172 Type: WELL API Number: 067-06777 Status: TA Insp. Status: TA

Idle WellPurpose: ☒ Shut In ☐ Temporarily Abandoned Reminder: TANK BATTERY CONNECTED

S/A/V: ALLEGED CA Date: 11/19/2015

CA: Well must be either:

- 1) Per COGCC Rule 326.b.(1) a successful mechanical integrity test shall be performed on each shut-in well within two (2) years of the initial shut-in date or
- 2) Be properly plugged and abandoned . Shut-in and temporarily abandoned wells must be properly reported on COGCC Form 7, Operator's Monthly Production Report.

Comment: _____

Environmental**Spills/Releases:**Type of Spill: OIL Description: in cellar Estimated Spill Volume: 1Comment: no avian/wildlife protection over crude filled cellar, freeboard not adequateCorrective Action: remove, prevent accumulation from reoccurring, follow up with COGCC EPS staff Date: 05/20/2015

Reportable: _____ GPS: Lat _____ Long _____

Proximity to Surface Water: _____ Depth to Ground Water: _____

Water Well:

DWR Receipt Num: _____ Owner Name: _____ GPS : _____ Lat _____ Long _____

Field Parameters:

Sample Location: _____

Emission Control Burner (ECB): _____

Comment: _____

Pilot: _____ Wildlife Protection Devices (fired vessels): _____

Reclamation - Storm Water - Pit**Interim Reclamation:**

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: _____

Comment: possible vegetation kill southeast portion of disturbance, fluid flow pattern, bare, no vegetation (not even weeds), discolored soil.

1003a. Debris removed? _____ CM _____

CA _____ CA Date _____

Waste Material Onsite? _____ CM _____

CA _____ CA Date _____

Unused or unneeded equipment onsite? _____ CM _____

CA _____ CA Date _____

Pit, cellars, rat holes and other bores closed? _____ CM _____

CA _____ CA Date _____

Guy line anchors removed? _____ CM _____

CA _____ CA Date _____

Guy line anchors marked? _____ CM _____

CA _____ CA Date _____

1003b. Area no longer in use? _____ Production areas stabilized ? _____

1003c. Compacted areas have been cross ripped? _____

1003d. Drilling pit closed? _____ Subsidence over on drill pit? _____

Cuttings management: _____

1003e. Areas no longer needed for drilling or subsequent operations for have been re-vegetated to 80% of pre-existing? Fail

Inspector Name: LABOWSKIE, STEVE

Production areas have been stabilized? _____

Segregated soils have been replaced? _____

RESTORATION AND REVEGETATION

Cropland

Top soil replaced _____

Recontoured _____

Perennial forage re-established _____ Fail _____

Non-Cropland

Top soil replaced _____

Recontoured _____

80% Revegetation _____

1003 f. Weeds Noxious weeds? _____

Comment: location entirely overgrown with weeds, all newly disturbed areas are revegetated with undesireables

Overall Interim Reclamation **Fail**

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____

Date Final Reclamation Completed: _____

Final Land Use: _____

Reminder: _____

Comment:

Well plugged _____

Pit mouse/rat holes, cellars backfilled _____

Debris removed _____

No disturbance /Location never built _____

Access Roads Regraded _____

Contoured _____

Culverts removed _____

Gravel removed _____

Location and associated production facilities reclaimed _____

Locations, facilities, roads, recontoured _____

Compaction alleviation _____

Dust and erosion control _____

Non cropland: Revegetated 80% _____

Cropland: perennial forage _____

Weeds present _____

Subsidence _____

Comment:

Corrective Action: Date _____

Overall Final Reclamation _____

Well Release on Active Location ☐

Multi-Well Location ☐

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
		Gravel				road graveled in a few areas
Compaction	Pass	Compaction	Pass			

S/A/V: SATISFACTOR _____

Corrective Date: _____

Y

Comment: weeds and compaction preventing erosion, level location

CA:

Pits: ☒ NO SURFACE INDICATION OF PIT

Attached Documents

You can go to COGCC Images (<https://cogcc.state.co.us/weblink/>) and search by document number:

Document Num	Description	URL
667700608	cellar full of crude oil, no wildlife protection	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3610762

667700609	weeds on disturbance, discolored soils & veg kill	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3610763
667700610	stained soils	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3610764
667700611	flowline connected wellhead to tank	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3610765
667700612	unlabeled unbermed tank connected to well	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3610766
667700613	weeds on disturbnace and undisturbed cropland	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3610767

**FORM
INSP**Rev
05/11**State of Colorado
Oil and Gas Conservation Commission**1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109

DE	ET	OE	ES
----	----	----	----

Inspection Date:
03/24/2015Document Number:
674601588

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	215172	325653	Maclaren, Joe	<input type="checkbox"/>	

Operator Information:OGCC Operator Number: 10434Name of Operator: ATOM PETROLEUM LLCAddress: 3323 N MIDLAND DR #113City: MIDLAND State: TX Zip: 79707

- ☐ THIS IS A FOLLOW UP INSPECTION
- ☐ FOLLOW UP INSPECTION REQUIRED
- ☐ NO FOLLOW UP INSPECTION REQUIRED
- ☒ INSPECTOR REQUESTS FORM 42 WHEN CORRECTIVE ACTIONS ARE COMPLETED

Contact Information:

Contact Name	Phone	Email	Comment
Stover, Tom	(303) 883-6293	tstover0807@comcast.net	Owner
Labowskie, Steve		steve.labowskie@state.co.us	

Compliance Summary:QtrQtr: NENE Sec: 3 Twp: 33N Range: 12W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
06/17/2014	667700400	TA	WK	ACTION REQUIRED			No
02/12/2014	666500115	TA	WK	SATISFACTORY			No
01/13/2014	666500114	TA	WK	SATISFACTORY			No
12/24/2013	666500113	TA	WK	SATISFACTORY			No
12/19/2013	666500112	TA	WK	SATISFACTORY			No
12/18/2013	666500111	TA	WK	SATISFACTORY			No
12/17/2013	666500109	TA	WK	SATISFACTORY			No
12/06/2013	667700106	TA	WK	ACTION REQUIRED	I		No
11/21/2013	666500108	TA	TA	SATISFACTORY			No
11/14/2013	666500098	TA	TA	SATISFACTORY			No
11/13/2013	666500094	TA	TA	SATISFACTORY			No
11/12/2013	666500093	TA	TA	SATISFACTORY			No
11/07/2013	666500092	TA	TA	SATISFACTORY			No
11/05/2013	666500084	TA	TA	SATISFACTORY			No
11/04/2013	666500081	TA	TA	SATISFACTORY			No
01/09/2013	669400367	TA	TA	ALLEGED VIOLATION			Yes
01/08/2013	669400365	TA	WK	ALLEGED VIOLATION	I		Yes
10/20/1998	500148621	HR	PA		P	Pass	No

Inspector Comment:

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
215172	WELL	TA	11/10/1993		067-06777	TAYLOR 3	SI	<input checked="" type="checkbox"/>

Equipment:Location Inventory

Special Purpose Pits: _____ Drilling Pits: _____ Wells: _____ Production Pits: _____
 Condensate Tanks: _____ Water Tanks: _____ Separators: _____ Electric Motors: _____
 Gas or Diesel Motors: _____ Cavity Pumps: _____ LACT Unit: _____ Pump Jacks: _____
 Electric Generators: _____ Gas Pipeline: _____ Oil Pipeline: _____ Water Pipeline: _____
 Gas Compressors: _____ VOC Combustor: _____ Oil Tanks: _____ Dehydrator Units: _____
 Multi-Well Pits: _____ Pigging Station: _____ Flare: _____ Fuel Tanks: _____

Location**Signs/Marker:**

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
TANK LABELS/PLACARDS	ACTION REQUIRED	No signage on silver skid mounted lay down tank.	Install sign to comply with rule 210. Label tank as empty/ out of service if appropriate and isolate from wellhead.	04/29/2015
CONTAINERS	ACTION REQUIRED	No labeling on black container near pump jack motor.	Properly label container (including NFPA) according to contents.	04/29/2015

Emergency Contact Number (S/A/V): SATISFACTORY

Corrective Date: _____

Comment: _____

Corrective Action: _____

Good Housekeeping:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
OTHER	ACTION REQUIRED	Free crude oil/ water observed in wellhead cellar. Total volume < 1BBL.	Remove oily fluid from wellhead cellar; properly dispose of fluid according to local and state regulations.	04/29/2015
TRASH	ACTION REQUIRED	Used drilling cable laying on ground at entrance to well pad.	Remove all trash from well pad.	04/29/2015
OTHER	ACTION REQUIRED	Stained soils observed around tank and equipment.	Properly remove and remediate stained soils on well pad.	04/29/2015
STORAGE OF SUPL	ACTION REQUIRED	Unused equipment (counter balance weights, timbers, etc on location.	Neatly store or remove unused equipment from location.	04/29/2015

Spills:

Type	Area	Volume	Corrective action	CA Date
------	------	--------	-------------------	---------

☐ Multiple Spills and Releases?**Facilities:**☐ New Tank

Tank ID: _____

Contents	#	Capacity	Type	SE GPS
----------	---	----------	------	--------

Inspector Name: Maclaren, Joe

	1	STEEL AST		
S/A/V:		Comment:		
Corrective Action:				Corrective Date:
Paint				
Condition	Inadequate			
Other (Content)				
Other (Capacity)				
Other (Type)				
Berms				
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
	Inadequate			Inadequate
Corrective Action	Install adequate berming around silver production tank or remove from location.			Corrective Date 04/29/2015
Comment	No berm around silver lay down tank.			
Venting:				
Yes/No	Comment			
NO				
Flaring:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Predrill

Location ID: 215172

Site Preparation:

Lease Road Adeq.: _____ Pads: _____ Soil Stockpile: _____

S/A/V: _____

Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:

S/A/V: _____ Comment: _____

CA: _____ Date: _____

Wildlife BMPs:

S/A/V: _____ Comment: _____

CA: _____ Date: _____

Stormwater:

Comment: _____

Staking:**On Site Inspection (305):****Surface Owner Contact Information:**

Name: _____ Address: _____

Phone Number: _____ Cell Phone: _____

Operator Rep. Contact Information:

Landman Name: _____ Phone Number: _____

Date Onsite Request Received: _____ Date of Rule 306 Consultation: _____

Request LGD Attendance: _____

LGD Contact Information:

Name: _____ Phone Number: _____ Agreed to Attend: _____

Summary of Landowner Issues:**Summary of Operator Response to Landowner Issues:****Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:****Facility**

Facility ID: 215172 Type: WELL API Number: 067-06777 Status: TA Insp. Status: SI

Idle WellPurpose: ☒ Shut In ☐ Temporarily Abandoned Reminder: _____

S/A/V: _____ CA Date: _____

CA: No MIT or production records in database.

Comment: _____

Environmental**Spills/Releases:**

Type of Spill: _____ Description: _____ Estimated Spill Volume: _____

Inspector Name: Maclaren, Joe

Comment: <input style="width:700px" type="text"/>			
Corrective Action: <input style="width:600px" type="text"/>		Date: <input style="width:100px" type="text"/>	
Reportable: <input style="width:100px" type="text"/>	GPS: Lat <input style="width:100px" type="text"/>	Long <input style="width:100px" type="text"/>	
Proximity to Surface Water: <input style="width:150px" type="text"/>		Depth to Ground Water: <input style="width:150px" type="text"/>	
Water Well:			
		Lat <input style="width:100px" type="text"/>	Long <input style="width:100px" type="text"/>
DWR Receipt Num: <input style="width:100px" type="text"/>	Owner Name: <input style="width:150px" type="text"/>	GPS : <input style="width:150px" type="text"/>	
Field Parameters:			
<input style="width:300px" type="text"/>			
Sample Location: <input style="width:400px" type="text"/>			
Emission Control Burner (ECB): <input style="width:100px" type="text"/>			
Comment: <input style="width:850px" type="text"/>			
Pilot: <input style="width:100px" type="text"/>	Wildlife Protection Devices (fired vessels): <input style="width:150px" type="text"/>		

Reclamation - Storm Water - Pit

Interim Reclamation:

Date Interim Reclamation Started: Date Interim Reclamation Completed:

Land Use:

Comment: Area on interim disturbance on east side of well pad void of vegetation: Soils are light in color in this area. Future environmental and/ or reclamation inspections may be conducted to determine cause of contrasting soil color and lack of vegetation cover.

1003a. Debris removed? ☐ CM ☐ CA CA Date

Waste Material Onsite? ☐ CM ☐ CA CA Date

Unused or unneeded equipment onsite? ☐ In ☐ CM ☐ CA CA Date

Pit, cellars, rat holes and other bores closed? ☐ CM ☐ CA CA Date

Guy line anchors removed? ☐ CM ☐ CA CA Date

Guy line anchors marked? ☐ Pass ☐ CM ☐ CA CA Date

1003b. Area no longer in use? ☐ Production areas stabilized ? ☐ Pass ☐

1003c. Compacted areas have been cross ripped? ☐

1003d. Drilling pit closed? ☐ Pass ☐ Subsidence over on drill pit? ☐ Pass ☐

Cuttings management:

1003e. Areas no longer needed for drilling or subsequent operations for have been re-vegetated to 80% of pre-existing? ☐

Production areas have been stabilized? ☐ Pass ☐ Segregated soils have been replaced? ☐

RESTORATION AND REVEGETATION

Cropland

Inspector Name: Maclaren, Joe

Top soil replaced _____

Recontoured _____

Perennial forage re-established _____

Non-Cropland

Top soil replaced _____

Recontoured _____

80% Revegetation _____

1003 f. Weeds Noxious weeds? _____ I _____

Comment: _____

Overall Interim Reclamation In Process

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____

Date Final Reclamation Completed: _____

Final Land Use: _____

Reminder: _____

Comment: _____

Well plugged _____

Pit mouse/rat holes, cellars backfilled _____

Debris removed _____

No disturbance /Location never built _____

Access Roads Regraded _____

Contoured _____

Culverts removed _____

Gravel removed _____

Location and associated production facilities reclaimed _____

Locations, facilities, roads, recontoured _____

Compaction alleviation _____

Dust and erosion control _____

Non cropland: Revegetated 80% _____

Cropland: perennial forage _____

Weeds present _____ Subsidence _____

Comment: _____

Corrective Action: _____

Date _____

Overall Final Reclamation _____

Well Release on Active Location ☐

Multi-Well Location ☐

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Compaction	Pass	Compaction	Pass	MHSP	Fail	Black container needs spill prevention.

S/A/V: _____ Corrective Date: **04/29/2015**

Comment: _____

CA: _____

Pits: ☐ NO SURFACE INDICATION OF PIT

Attached Documents

You can go to COGCC Images (<https://cogcc.state.co.us/weblink/>) and search by document number:

Document Num	Description	URL
674601616	Oily fluid in wellhead cellar	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3576349
674601617	Unlabeled/ unbermed production tank	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3576350
674601618	Unlabeled container/ no spill prevention	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3576351
674601619	Interim disturbance area east side well pad	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3576352

ACTION REQUIRED

ANY ACTION REQUIRED items listed on this report indicate that the oil and gas facility or the oil and gas operations listed on the report 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 Inspection Report 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 **Corrective Action Deadline Date**. 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. (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.)

COGIS - Monthly Well Production

PRODUCTION DATA REPORT -- COGIS

API #:	05-083-06653	Location:	SWSW 9 35N 13W N
Field:	MENEFEE MOUNTAIN	Field Code:	53950
Facility Name:	DOERFER	Facility #:	1-5
Operator Name:	ATOM PETROLEUM LLC	Operator #:	10434

PRODUCTION YEAR: All

										OIL				Water Prod		Water(psig)					
										BOM		Produced		Sold		Adj.		EOM		Gravity	
Year	Month	Formation	Sidetrack	Well Status	Days Prod	Product	GAS				Water Disp. Code	Gas (psig)									
							Prod	Flared	Used	Shrinkage		Sold	BTU	Tbg.	Csg.						
2009	Aug	NOT COMPLETED	00	WO		Oil -> Gas ->															
2009	Sep	NOT COMPLETED	00	WO		Oil -> Gas ->															
2009	Oct	NOT COMPLETED	00	PR	1	Oil -> Gas ->		1				1									
2009	Nov	NOT COMPLETED	00	SI		Oil -> Gas ->			1												
2009	Dec	NOT COMPLETED	00	PR	1	Oil -> Gas ->		1													
2010	Jan	NOT COMPLETED	00	SI		Oil -> Gas ->			2												
2010	Feb	NOT COMPLETED	00	PR	28	Oil -> Gas ->		2		1											
2010	Mar	NOT COMPLETED	00	SI		Oil -> Gas ->		3													

2010	Apr	NOT COMPLETED	00	PR	1	Oil -> Gas ->	3	1		4			
2010	May	NOT COMPLETED	00	SI		Oil -> Gas ->	4			4			
2010	Jun	NOT COMPLETED	00	SI		Oil -> Gas ->	4			4			
2010	Jul	NOT COMPLETED	00	PR	31	Oil -> Gas ->	4	1		5			
2010	Aug	NOT COMPLETED	00	SI		Oil -> Gas ->	5			5			
2010	Sep	NOT COMPLETED	00	PR	1	Oil -> Gas ->	5	1		6			
2010	Oct	NOT COMPLETED	00	SI		Oil -> Gas ->	6			6			
2010	Nov	NOT COMPLETED	00	SI		Oil -> Gas ->	6			6			
2010	Dec	NOT COMPLETED	00	SI		Oil -> Gas ->	6			6			
2011	Jan	NOT COMPLETED	00	PR	1	Oil -> Gas ->	6	1		7			
2011	Feb	NOT COMPLETED	00	SI		Oil -> Gas ->	7			7			
2011	Mar	NOT COMPLETED	00	PR	10	Oil -> Gas ->	7	1		8			
2011	Apr	NOT COMPLETED	00	SI		Oil -> Gas ->	8			8			
2011	May	NOT COMPLETED	00	PR	1	Oil -> Gas ->	8	1		9			
2011	Jun	NOT COMPLETED	00	SI		Oil -> Gas ->	9		9	33.1			
2011	Jul	NOT COMPLETED	00	SI		Oil -> Gas ->							
2011	Aug	NOT COMPLETED	00	SI		Oil -> Gas ->							
2011	Sep	NOT	00	SI		Oil ->							

2013	Mar	NOT COMPLETED	00	PR	12	Oil -> Gas ->	193					194					
2013	Apr	NOT COMPLETED	00	PR	12	Oil -> Gas ->	194					194					
2013	May	NOT COMPLETED	00	PR	12	Oil -> Gas ->	194					194					
2013	Jun	NOT COMPLETED	00	PR	12	Oil -> Gas ->	194					195					
2013	Jul	NOT COMPLETED	00	PR	12	Oil -> Gas ->	195					195					
2013	Aug	NOT COMPLETED	00	PR	12	Oil -> Gas ->	195					195					
2013	Sep	NOT COMPLETED	00	PR	12	Oil -> Gas ->	195					196					
2013	Oct	NOT COMPLETED	00	SI		Oil -> Gas ->	196	97				99	33.1				
2013	Nov	NOT COMPLETED	00	PR	12	Oil -> Gas ->	99					99					
2013	Dec	NOT COMPLETED	00	PR	12	Oil -> Gas ->	99					99					
2014	Jan	NOT COMPLETED	00	SI		Oil -> Gas ->	99					99					
2014	Feb	NOT COMPLETED	00	SI		Oil -> Gas ->	99					99					
2014	Mar	NOT COMPLETED	00	SI		Oil -> Gas ->	99					99					
2014	Apr	NOT COMPLETED	00	SI		Oil -> Gas ->	99					99					
2014	May	NOT COMPLETED	00	SI		Oil -> Gas ->	99					99					
2014	Jun	NOT COMPLETED	00	SI		Oil -> Gas ->	99					99					
2014	Jul	NOT COMPLETED	00	SI		Oil -> Gas ->	99					99					
2014	Aug	NOT	00	SI		Oil ->	99					99					

FORM
4
Rev
04/13

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



02166856



DE	ET	OE	ES
RECEIVED			
Document Number: MAY 28 2013			
COGCC			

SUNDRY NOTICE

Submit a signed original. This form is to be used for general, technical and environmental sundry information. For proposed or completed operations, describe in full in Comments or provide as an attachment. Identify Well by API Number; identify Oil and Gas Location by Location ID Number; identify other Facility by Facility ID Number.

OGCC Operator Number: **7125** Contact Name **Alberta Bake**
Name of Operator: **Beeman Oil & Gas LLC** Phone: **9702592788**
Address: **91 Wedgewood Circle** Fax: **9702592788**
City: **Durango** State: **Co** Zip: **81301** Email: **alberta_blake@yahoo.com**

Complete the Attachment
Checklist

OP OGCC

API Number: **05- 083 06653** OGCC Facility ID Number: _____
Well/Facility Name: **DOERFER** Well/Facility Number: **1-5**
Location QtrQtr: **SWSW** Section: **9** Township: **35N** Range: **13W** Meridian: **N**
County: **MONTEZUMA** Field Name: **MENEFEE MOUNTAIN**
Federal, Indian or State Lease Number: _____

Survey Plat		
Directional Survey		
Src Eqmpt Diagram		
Technical Info Page		
Other Correspondence		2466857

CHANGE OF LOCATION OR AS BUILT GPS REPORT

☐ Change of Location * ☒ As-Built GPS Location Report ☐ As-Built GPS Location Report with Survey

* Well location change requires new plat. A substantive surface location change may require new Form 2A.

SURFACE LOCATION GPS DATA Data must be provided for Change of Surface Location and As Built Reports.

Latitude **37.29896** PDOP Reading **OPS** Date of Measurement **7/25/2012**
Longitude **108.29462** GPS Instrument Operator's Name **Ernest E Maness**

LOCATION CHANGE (all measurements in Feet)

Well will be: _____ (Vertical, Directional, Horizontal)

Change of **Surface Footage From** Exterior Section Lines:

Change of **Surface Footage To** Exterior Section Lines:

Current **Surface Location From** QtrQtr _____ Sec _____

New **Surface Location To** QtrQtr _____ Sec _____

Change of **Top of Productive Zone Footage From** Exterior Section Lines:

Change of **Top of Productive Zone Footage To** Exterior Section Lines:

Current **Top of Productive Zone Location From** Sec _____

New **Top of Productive Zone Location To** Sec _____

Change of **Bottomhole Footage From** Exterior Section Lines:

Change of **Bottomhole Footage To** Exterior Section Lines:

Current **Bottomhole Location** Sec _____ Twp _____

New **Bottomhole Location** Sec _____ Twp _____

Is location in High Density Area? _____

Distance, in feet, to nearest building _____, public road: _____, above ground utility: _____, railroad: _____,

property line: _____, lease line: _____, well in same formation: _____

Ground Elevation _____ feet Surface owner consultation date _____

FNL/FSL		FEL/FWL	
Twp	Range	Meridian	
Twp	Range	Meridian	
Twp	Range		
Twp	Range		

** attach deviated drilling plan

CHANGE OR ADD OBJECTIVE FORMATION AND/OR SPACING UNIT

Objective Formation	Formation Code	Spacing Order Number	Unit Acreage	Unit Configuration

OTHER CHANGES

☐ **REMOVE FROM SURFACE BOND** Signed surface use agreement is a required attachment

☐ **CHANGE OF WELL, FACILITY OR OIL & GAS LOCATION NAME OR NUMBER**

From: Name _____ Number _____ Effective Date: _____

To: Name _____ Number _____

☐ **ABANDON PERMIT: Permit can only be abandoned if the permitted operation has NOT been conducted.**
Field inspection will be conducted to verify site status.

☐ **WELL:** Abandon Application for Permit-to-Drill (Form2) – Well API Number _____ has not been drilled.

☐ **PIT:** Abandon Earthen Pit Permit (Form 15) – COGCC Pit Facility ID Number _____ has not been constructed (Permitted and constructed pit requires closure per Rule 905)

☐ **CENTRALIZED E&P WASTE MANAGEMENT FACILITY:** Abandon Centralized E&P Waste Management Facility Permit (Form 28) – Facility ID Number _____ has not been constructed (Constructed facility requires closure per Rule 908)

OIL & GAS LOCATION ID Number: _____

☐ Abandon Oil & Gas Location Assessment (Form 2A) – Location has not been constructed and site will not be used in the future.

☐ Keep Oil & Gas Location Assessment (Form 2A) active until expiration date. This site will be used in the future.

Surface disturbance from Oil and Gas Operations must be reclaimed per Rule 1003 and Rule 1004.

☐ **REQUEST FOR CONFIDENTIAL STATUS**

☐ **DIGITAL WELL LOG UPLOAD**

☐ **DOCUMENTS SUBMITTED** Purpose of Submission: _____

RECLAMATION**INTERIM RECLAMATION**

☐ Interim Reclamation will commence approximately _____

Per Rule 1003.e.(3) operator shall submit Sundry Notice reporting interim reclamation is complete and site is ready for inspection when vegetation reaches 80% coverage.

☐ Interim reclamation complete, site ready for inspection.

Per Rule 1003.e(3) describe interim reclamation procedure in Comments below or provide as an attachment and attach required location photographs.

Field inspection will be conducted to document Rule 1003.e. compliance

FINAL RECLAMATION

☐ Final Reclamation will commence approximately _____

Per Rule 1004.c.(4) operator shall submit Sundry Notice reporting final reclamation is complete and site is ready for inspection when vegetation reaches 80% coverage.

☐ Final reclamation complete, site ready for inspection. Per Rule 1004.c(4) describe final reclamation procedure in Comments below or provide as an attachment.

Field inspection will be conducted to document Rule 1004.c. compliance

Comments:

ENGINEERING AND ENVIRONMENTAL WORK

☐ NOTICE OF CONTINUED TEMPORARILY ABANDONED STATUS

Indicate why the well is temporarily abandoned and describe future plans for utilization in the COMMENTS box below or provide as an attachment, as required by Rule 319.b.(3).

Date well temporarily abandoned _____ Has Production Equipment been removed from site? _____

Mechanical Integrity Test (MIT) required if shut in longer than 2 years. Date of last MIT _____

☐ SPUD DATE: _____

TECHNICAL ENGINEERING AND ENVIRONMENTAL WORK

Details of work must be described in full in the COMMENTS below or provided as an attachment.

☐ NOTICE OF INTENT Approximate Start Date _____

☐ REPORT OF WORK DONE Date Work Completed _____

<input type="checkbox"/> Intent to Recomplete (Form 2 also required)	<input type="checkbox"/> Request to Vent or Flare	<input type="checkbox"/> E&P Waste Mangement Plan
<input type="checkbox"/> Change Drilling Plan	<input type="checkbox"/> Repair Well	<input type="checkbox"/> Beneficial Reuse of E&P Waste
<input type="checkbox"/> Gross Interval Change	<input type="checkbox"/> Rule 502 variance requested. Must provide detailed info regarding request.	
<input type="checkbox"/> Other _____	<input type="checkbox"/> Status Update/Change of Remediation Plans for Spills and Releases	

COMMENTS:

CASING AND CEMENTING CHANGES

Casing Type	Size	Of	/	Hole	Size	Of	/	Casing	Wt/Ft	Csg/LinTop	Setting Depth	Sacks of Cement	Cement Bottom	Cement Top

H2S REPORTING

Data Fields in this section are intended to document Sample and Location Data associated with the collection of a Gas Sample that is submitted for Laboratory Analysis.

Gas Analysis Report must be attached.

H2S Concentration: _____ in ppm (parts per million) Date of Measurement or Sample Collection _____

Description of Sample Point:

Absolute Open Flow Potential _____ in CFPD (cubic feet per day)

Description of Release Potential and Duration (If flow is not open to the atmosphere, identify the duration in which the container or pipeline would likely be opened for servicing operations.):

Distance to nearest occupied residence, school, church, park, school bus stop, place of business, or other areas where the public could reasonably be expected to frequent: _____

Distance to nearest Federal, State, County, or municipal road or highway owned and principally maintained for public use: _____

COMMENTS:

BMP

Type

Comment

GROUND WATER SAMPLING

Uses of Ground Water Sampling Section

Request an Exception to Ground Water Sampling Requirements in Greater Wattenberg Area Rule 318A.e(4) or in Statewide Rule 609.c. Request a Previously Sampled Water Source in the COGIS database be used to meet sampling requirements as described in Rule 609.d.(3).

NOTE: If this Sundry Notice is being submitted to request a Ground Water Sampling Exception it cannot be used for any other purpose except requesting the use of a Previously Sampled Water Source in the COGIS database.

☐ Request an Exception to Ground Water Sampling Requirements per Greater Wattenberg Area Rule 318A.e(4): There are no Available Water Sources located within the governmental quarter section or within a previously unsampled governmental quarter section within a 1/2-mile radius of this proposed Oil and Gas Well, Multi-Well Site, or Dedicated Injection Well.

☐ Request an Exception to Ground Water Sampling Requirements per Statewide Rule 609.c.

_____ Number of Water Sources located within one-half (1/2) mile of a proposed Oil and Gas Well, Multi-Well Site, or Dedicated Injection Well.

_____ Number of Water Source Exceptions requested per Rule 609.c.

_____ Number of Water Sources determined to be unsuitable. **The condition of these Water Sources MUST be documented in the comments below or in an attachment.**

_____ Number of Water Sources suitable for testing whose owners refused to grant access despite an operator's reasonable good faith efforts to obtain consent to conduct sampling.

The reasonable good faith efforts used to obtain access from the owners of these Water Sources MUST be documented in the comments below or in an attachment.

☐ Request a Previously Sampled Water Source in the COGIS database be used to meet sampling requirements as described in Rule 609.d(3)

_____ Type of Sample Substitution Request

Enter Sample ID Number from COGIS Maps for each Previous Water Sample:

Sample ID	Facility ID	Sample Date	Sample Purpose

COMMENTS

Operator Comments:

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed:  Print Name: Alberta Blake
 Title: Agent Email: alberta_blake@yahoo.com Date: 5/1/2013

Based on the information provided herein, this Sundry Notice (Form 4) complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved: _____ Date: _____

FORM

4

Rev
04/13

State of Colorado Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 201, Denver, Colorado 80202 Phone: (303) 854-2100 Fax: (303) 854-2109



DF	ET	OE	ES
Document Number:			

SUNDRY NOTICE

Submit a signed original. This form is to be used for general, technical and environmental sundry information. For proposed or completed operations, describe in full in Comments or provide as an attachment. Identify Well by API Number; identify Oil and Gas Location by Location ID Number; identify other Facility by Facility ID Number.

OGCC Operator Number: 10434 Contact Name Tom Stover
 Name of Operator: Atom Petroleum, LLC Phone: 803-883-6293
 Address: 3323 N. Midland Dr., Ste 113 Fax: 803-858-8299
 City Midland State: TX Zip: 79707 Email: tstover0807@comcast.net

Complete the Attachment
Checklist

OF OGCC

API Number: 05-083-06653 OGCC Facility ID Number:
 Well/Facility Name: Doerfer Well/Facility Number: 1-5
 Location QtrQtr SWSW Section: 9 Township: 35N Range: 13W Meridian:
 County: Montezuma Field Name: Menefee Mountain
 Federal, Indian or State Lease Number:

Survey Plat		
Directional Survey		
Site Equip Diagram		
Technical Info Page		
Other		

CHANGE OF LOCATION OR AS-BUILT GPS REPORT

☐ Change of Location * ☐ As-Built GPS Location Report ☐ As-Built GPS Location Report with Survey

* Well location change requires new plat. A substantive surface location change may require new Form 2A.

SURFACE LOCATION GPS DATA Data must be provided for Change of Surface Location and As-Built Reports.

Latitude _____ PDOP Reading _____ Date of Measurement _____
 Longitude _____ GPS Instrument Operator's Name _____

LOCATION CHANGE (all measurements in Feet)

Well will be: _____ (Vertical, Directional, Horizontal)

Change of Surface Footage From Exterior Section Lines:

Change of Surface Footage To Exterior Section Lines:

Current Surface Location From QtrQtr Sec

New Surface Location To QtrQtr Sec

Change of Top of Productive Zone Footage From Exterior Section Lines:

Change of Top of Productive Zone Footage To Exterior Section Lines:

Current Top of Productive Zone Location From Sec

New Top of Productive Zone Location To Sec

Change of Bottomhole Footage From Exterior Section Lines:

Change of Bottomhole Footage To Exterior Section Lines:

Current Bottomhole Location Sec Twp Range

New Bottomhole Location Sec Twp Range

Is location in High Density Area?

Distance, in feet, to nearest building _____, public road: _____, above ground utility: _____, railroad: _____

property line: _____, lease line: _____, well in same formation:

Ground Elevation _____ feet Surface owner consultation date _____

FNL/FSL		FEL/FWL	
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Twp <input type="text"/>	Range <input type="text"/>	Meridian <input type="text"/>	
Twp <input type="text"/>	Range <input type="text"/>	Meridian <input type="text"/>	
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Twp <input type="text"/>	Range <input type="text"/>		
Twp <input type="text"/>	Range <input type="text"/>		
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Twp <input type="text"/>	Range <input type="text"/>		
Twp <input type="text"/>	Range <input type="text"/>		

** attach deviated drilling plan

CHANGE OR ADD OBJECTIVE FORMATION AND/OR SPACING UNIT

Objective Formation	Formation Code	Spacing Order Number	Unit Acreage	Unit Configuration

OTHER CHANGES

☐ **REMOVE FROM SURFACE BOND** Signed surface use agreement is a required attachment

☐ **CHANGE OF WELL, FACILITY OR OIL & GAS LOCATION NAME OR NUMBER**

From: Name _____ Number _____ Effective Date: _____

To: Name _____ Number _____

☐ **ABANDON PERMIT:** Permit can only be abandoned if the permitted operation has **NOT** been conducted. Field inspection will be conducted to verify site status.

☐ **WELL:** Abandon Application for Permit-to-Drill (Form 2) – Well API Number _____ has not been drilled.

☐ **PIT:** Abandon Earthwork Pit Permit (Form 15) – COGCC Pit Facility ID Number _____ has not been constructed (Permitted and constructed pit requires closure per Rule 905)

☐ **CENTRALIZED E&P WASTE MANAGEMENT FACILITY:** Abandon Centralized E&P Waste Management Facility Permit (Form 26) – Facility ID Number _____ has not been constructed (Constructed facility requires closure per Rule 908)

OIL & GAS LOCATION ID Number: _____

☐ Abandon Oil & Gas Location Assessment (Form 2A) – Location has not been constructed and site will not be used in the future.

☐ Keep Oil & Gas Location Assessment (Form 2A) active until expiration date. This site will be used in the future.

Surface disturbance from Oil and Gas Operations must be reclaimed per Rule 1003 and Rule 1004.

☐ **REQUEST FOR CONFIDENTIAL STATUS**

☐ **DIGITAL WELL LOG UPLOAD**

☐ **DOCUMENTS SUBMITTED** Purpose of Submission: _____

RECLAMATION**INTERIM RECLAMATION**

☐ Interim Reclamation will commence approximately _____

Per Rule 1003.e.(3) operator shall submit Sundry Notice reporting interim reclamation is complete and site is ready for inspection when vegetation reaches 80% coverage.

☐ Interim reclamation complete, site ready for inspection.

Per Rule 1003.e.(3) describe interim reclamation procedure in Comments below or provide as an attachment and attach required location photographs.

Field inspection will be conducted to document Rule 1003.e. compliance

FINAL RECLAMATION

☐ Final Reclamation will commence approximately _____

Per Rule 1004.c.(4) operator shall submit Sundry Notice reporting final reclamation is complete and site is ready for inspection when vegetation reaches 80% coverage.

☐ Final reclamation complete, site ready for inspection. Per Rule 1004.c.(4) describe final reclamation procedure in Comments below or provide as an attachment.

Field inspection will be conducted to document Rule 1004.c. compliance

Comments:

ENGINEERING AND ENVIRONMENTAL WORK

☐ NOTICE OF CONTINUED TEMPORARILY ABANDONED STATUS

Indicate why the well is temporarily abandoned and describe future plans for utilization in the COMMENTS box below or provide as an attachment, as required by Rule 319.b.(3).

Date well temporarily abandoned _____

Has Production Equipment been removed from site? _____

Mechanical Integrity Test (MIT) required if shut in longer than 2 years. Date of last MIT _____

☐ SPUD DATE: _____

TECHNICAL ENGINEERING AND ENVIRONMENTAL WORK

Details of work must be described in full in the COMMENTS below or provided as an attachment.

☐ NOTICE OF INTENT

Approximate Start Date: _____

☐ REPORT OF WORK DONE

Date Work Completed: _____

☐ Intent to Recomplete (Form 2 also required)

☐ Request to Vent or Flame

☐ E&P Waste Management Plan

☐ Change Drilling Plan

☐ Repair Well

☐ Beneficial Reuse of E&P Waste

☐ Gross Interval Change

☒ Rule 502 variance requested. Must provide detailed info regarding request.

☐ Other _____

☐ Status Update/Change of Remediation Plans for Spills and Releases

COMMENTS:

See Attachment

CASING AND CEMENTING CHANGES

Casing Type	Size	Of	Hole	Size	Of	Casing	Wt/Ft	Csg/LinTop	Setting Depth	Sacks of Cement	Cement Bottom	Cement Top
-------------	------	----	------	------	----	--------	-------	------------	---------------	-----------------	---------------	------------

H2S REPORTING

Data Fields in this section are intended to document Sample and Location Data associated with the collection of a Gas Sample that is submitted for Laboratory Analysis.

Gas Analysis Report must be attached.

H2S Concentration: _____ in ppm (parts per million)

Date of Measurement or Sample Collection _____

Description of Sample Point:

Absolute Open Flow Potential _____ in CF PD (cubic feet per day)

Description of Release Potential and Duration (If flow is not open to the atmosphere, identify the duration in which the container or pipeline would likely be opened for servicing operations.):

Distance to nearest occupied residence, school, church, park, school bus stop, place of business, or other areas where the public could reasonably be expected to frequent: _____

Distance to nearest Federal, State, County, or municipal road or highway owned and principally maintained for public use: _____

COMMENTS:

BMP

Type

Comment

GROUND WATER SAMPLING

Uses of Ground Water Sampling Section:

Request an Exception to Ground Water Sampling Requirements in Greater Wadsworth Area Rule 318A.4(4) or in Statewide Rule 609 c. Request a Previously Sampled Water Source in the COGIS database be used to meet sampling requirements as described in Rule 609 d. (3)

NOTE: If this Sundry Notice is being submitted to request a Ground Water Sampling Exception it cannot be used for any other purpose except requesting the use of a Previously Sampled Water Source in the COGIS database.

☐ Request an Exception to Ground Water Sampling Requirements per Greater Wadsworth Area Rule 318A.4(4): There are no Available Water Sources located within the governmental quarter section or within a previously unsampled governmental quarter section within a 1/2-mile radius of this proposed Oil and Gas Well, Multi-Well Site, or Dedicated Injection Well.

☐ Request an Exception to Ground Water Sampling Requirements per Statewide Rule 609.c.

Number of Water Sources located within one-half (1/2) mile of a proposed Oil and Gas Well, Multi-Well Site, or Dedicated Injection Well.

Number of Water Source Exceptions requested per Rule 609 c.

Number of Water Sources determined to be unsuitable. The condition of these Water Sources **MUST** be documented in the comments below or in an attachment.

Number of Water Sources suitable for testing whose owners refused to grant access despite an operator's reasonable good faith efforts to obtain consent to conduct sampling.

The reasonable good faith efforts used to obtain access from the owners of these Water Sources **MUST** be documented in the comments below or in an attachment.

☐ Request a Previously Sampled Water Source in the COGIS database be used to meet sampling requirements as described in Rule 609.d(3)

Type of Sample Substitution Request

Enter Sample ID Number from COGIS Maps for each Previous Water Sample:

Sample ID Facility ID Sample Date Sample Purpose

COMMENTS

Operator Comments:

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed:

Print Name: Tom Stover

Title: Oil and Gas Property Manager

Email: tstover0807@comcast.net

Date: 5-6-14

Based on the information provided herein, this Summary Notice (Form 1) complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approver:

[Signature] P.E. Reg. Eng

Date:

5/21/2014

Note to File:

Because the Doerfer #1-5 and the Doerfer #2 are less than 300' from each other and less than 2500' deep they are not permitted to produce simultaneously (Rule 318 (b) - Location of Wells). This was re-stated as a condition of approval (COA) to the approved Application for a Permit to Drill (APD) the Doerfer #1-5. After reviewing operations with the operator, the COGCC production unit has accepted the operator's recently revised production reports. This redefines the Doerfer #1-5 well status as being on production and not shut in (SI) for a period of time of two (2) years or more; therefore, relieving the operator of the requirement to perform a mechanical integrity test. No variance is required of rule 326 (b) (1).

The Doerfer #2 and the Doerfer #1-5 are two Dakota Wells that are producing into a commingled Tank Battery. Both Doerfer #2 and Doerfer #1-5 are producing on timers such that both Wells are not producing simultaneously. The reason that the Doerfer #1-5 appeared to be considered a Shut-in Well, was because the previous Operator, Beeman Oil and Gas, LLC ("Beeman"), hired clerical service, which was hired to provide the Form 7 to the Colorado Oil and Gas Conservation Commission ("COGCC") inappropriately reported the production as only to the Doerfer #2. The Doerfer #1-5 was drilled in 2009 and completed in 2010 and no production was ever appropriately allocated to the Doerfer #1-5, ergo, making this Well appear as Shut-in. As the New Operator, effective April 1, 2014, Atom Petroleum, LLC ("Atom") has amended and submitted the Form 7 to Teri Ikenouye at the COGCC in Denver who's associate updated the COGCC files which allows the Doerfer #1-5 to be shown as a producer dating back to October of 2010 when the Well was first placed onto Production. Atom will remove the down hole equipment to log this Well, we will seek to check the pressure at that time as a standard practice of Well Workover. Therefore, Atom respectfully requests that the that Rule 502 b to Rule 326 b requiring a Mechanical Integrity Test at this time be removed from the Doerfer #1-5 until this Well is worked over.

ROBERT'S TRUCKING LLC

91 CR 4903
BLOOMFIELD, NM 87413

Invoice

Date	Invoice #
7/17/2015	11348

Bill To
ATOM PETROLAUM LLC. 3323 North Midland Dr. Suite 113 Midland TX 79707

Location
Taylor #3

Terms	Customer Contact	Truck No.
Net 30	Tom Stover	82

Ticket No.	Description	Capacity	Hours	Rate	Amount
32002	Waste Water to Basin		3	68.00	204.00T

<i>Thank you for your business.</i>			Subtotal	\$204.00
Phone #	Fax #	E-mail	Sales Tax (0.0%)	\$0.00
(505) 632-9302	(505) 632-4521	roberts.trucking@icloud.com	Total	\$204.00
			Payments/Credits	\$0.00
			Balance Due	\$204.00

ROBERT'S TRUCKING

505.632.9302
Bloomfield, NM

32002

CUSTOMER Atom petroleum LOCATION Salvor #13
DRIVER Phil Smith RUN# _____ RIG# _____ FRAC _____
TRUCK PUP 82 COMPANY REP. Tom Stover
LOADING POINT cellar DEL. POINT tank
WATER SOURCE _____ DBL. TRK. _____ FROM _____ TKT# _____
FRESH _____ CITY _____ KCL _____ PROD. FLOWBACK _____ TRANSFER _____ PUMP USE _____
DISPOSAL SITE TKT# _____ KCL TKT # _____

MILEAGE:

	Empty	Loaded	Empty	Loaded	Empty	Loaded	Empty	Loaded
HI-WAY	NM		COLO.		UTAH		ARIZ.	
OFF ROAD	NM		COLO.		UTAH		ARIZ.	

START	END	HOURS	BBLs	DETAILS	
				New Well	Existing Well
1	AM	AM			
2	PM	PM			
3	AM	AM			
4	PM	PM			
5	AM	AM			
6	PM	PM			
7	AM	AM			
8	PM	PM			
9	AM	AM			
10	PM	PM			
11	AM	AM			
12	PM	PM			
13	AM	AM			
14	PM	PM			

pull (flow) haul to disposal

P.O. #	TTL HRS	TTL BBLs	HRLY CHRG	BBL RATE	TRANSIT \$	PUMP CHRG	SHOP
NOTE! New tkt @ midnight	3	10					
Tkts must stay in sequence							

Date 6-16-15 Company Rep. Tom Stover
Truck Supervisor _____

ATOM000125