

BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO

IN THE MATTER OF THE VIOLATION OF THE RULES
AND REGULATIONS OF THE OIL AND GAS
CONSERVATION COMMISSION BY INDUSTRIAL GAS
ASSOCIATES INC.

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CAUSE NO. 1

ORDER NO. ~~1-200~~
AMENDED

V-81

REPORT OF THE COMMISSION

This cause came on for hearing before the Commission on April 18, 1995 at 8:30 a.m., in Suite 801, The Chancery Building, 1120 Lincoln Street, Denver, Colorado, after giving Notice of Hearing as required by law, on why Industrial Gas Associates, Inc. was not in violation of Rule Nos. 317.b., 317.b.3., and 603.g. of the Rules and Regulations of the Oil and Gas Conservation Commission, and why it should not invoke the provisions of 34-60-121 C.R.S., as amended, providing for penalties for violations of orders of the Commission.

FINDINGS

The Commission finds as follows:

1. Industrial Gas Associates, Inc. is an interested party in the subject matter of the above-referenced hearing.
2. Due notice of the time, place and purpose of the hearing has been given in all respects as required by law.
3. The Commission has jurisdiction over the subject matter embraced in said Notice, and of the parties interested therein, and jurisdiction to promulgate the hereinafter prescribed order.
4. On April 22, 1994, Commission staff notified Industrial Gas Associates, Inc. that the **North** Colorado Blvd. No 2 Well, located in the SW¼ SE¼ of Section 13, Township 1 South, Range 68 West, 6th P.M., Adams County, was in violation of the Rules and Regulations of the Colorado Oil and Gas Conservation Commission since this well had not produced prior to 1992. On October 11, 1994, Commission staff sent a letter to the operator demanding that the well be plugged by October 19, 1994. As of January 26, 1995, the well was not plugged and a Notice of Violation was issued. No response to the NOV was received by staff.
5. The Commission should find Industrial Gas Associates, Inc. in violation of Rule 317.b.(1), failure to file Form 4 stating intent to shut-in or temporarily abandon well, and Rule 324.b.(1), failure to perform a mechanical integrity test on a shut-in well.
6. The **North** Colorado Boulevard No. 2 Well should, within sixty (60) days of the date the order is issued, be 1) tested and produced, 2) have a mechanical integrity test performed, or 3) be plugged and abandoned. A fine of fifteen thousand dollars (\$15,000) should be assessed if said work is not performed within the specified timeframe.

ORDER

NOW, THEREFORE, IT IS ORDERED, that the **North** Colorado Boulevard No. 2 Well shall, within sixty (60) days of the date the order is issued, be 1) tested and produced, 2) have a mechanical integrity test performed, or 3) be plugged and abandoned. A fine of fifteen thousand dollars (\$15,000) shall be assessed if said work is not performed within the specified timeframe.

IT IS FURTHER ORDERED, that the provisions contained in the above order shall become effective forthwith.

IT IS FURTHER ORDERED, that the Commission expressly reserves its right, after notice and hearing, to alter, amend or repeal any and/or all of the above orders.

ENTERED this 2nd day of June, 1995, as of April 18, 1995.

CORRECTED this 7th day of August, 1995, as of April 18, 1995.

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO

By Patricia C. Beaver
Patricia C. Beaver, Secretary

Dated at Suite 801
1120 Lincoln Street
Denver, Colorado 80203
July 28, 1995

