

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

IN THE MATTER OF ALLEGED VIOLATIONS OF THE RULES) CAUSE NO. 1V
AND REGULATIONS OF THE COLORADO OIL AND GAS)
CONSERVATION COMMISSION BY **PLAINVIEW OIL & GAS, INC.**,) ORDER NO. 1V-296
JEFFERSON COUNTY, COLORADO)

ADMINISTRATIVE ORDER BY CONSENT



01743593

FINDINGS

1. On September 15, 2000, the Colorado Oil and Gas Conservation Commission ("COGCC") approved an Application for Permit-to-Drill ("APD") for Plainview Oil & Gas, Inc. ("Plainview") for the State #16-4 Well ("the Well") located in the NW¼ NW¼ of Section 16, Township 2 South, Range 70 West, 6th P.M. The Well was permitted with the Lyons Sandstone as the objective formation with a proposed total depth of 11,000 feet. The APD for the Well had an expiration date of September 14, 2001.
2. On September 4, 2001, Plainview set 31 feet of conductor pipe in the Well and suspended operations. The well pad and drilling pits were not built prior to this operation.
3. On August 5, 2004, Plainview began operations with a typical oil and gas well drilling rig. By this date, a typical oil and gas well pad, including drilling pits, had been built.
4. On August 15, 2004, the Well was plugged and abandoned after drilling to a total depth of 3,000 feet. At a total depth of 3,000 feet, the Well was still in the Pierre Shale Formation.
5. A Notice of Alleged Violation ("NOAV") was issued for the Well on October 13, 2005, for violation of Rule 603.j., statewide equipment, weeds, waste, and trash requirements, Rule 1002.c., protection of soils, Rule 1002.e., surface disturbance minimization, Rule 1003.b., interim reclamation of areas no longer in use, Rule 1003.d., drilling pit closure, and Rule 1003.f., weed control. The NOAV described the alleged violations as "Existing reserve pit remains open in violation of COGCC rules requiring reclamation of drilling/reserve pit on non-crop land within 12 months of ceasing drilling operations" and "Failure to control noxious weeds and maintaining well site to control erosion". The NOAV required that Plainview complete closure of the reserve pit, maintain weed control, and maintain erosion control under applicable COGCC rules. The NOAV had an abatement date of December 12, 2005.
6. On December 13, 2005, COGCC staff inspected the Well and found that none of the alleged violations had been abated by Plainview.
7. In accordance with Rule 523.c., Rule 603. specifies a base fine of One Thousand dollars (\$1,000) per day for each violation of Rule 603. Rule 1002. specifies a base fine of One Thousand dollars (\$1,000) per day for each violation of Rule 1002. Rule 1003. specifies a base fine of One Thousand dollars (\$1,000) per day for each violation of Rule 1003.
8. A monetary penalty of Three Thousand dollars (\$3,000.00) should be assessed against Plainview Oil & Gas, Inc., in accordance with Rule 523.c., for violation of Rule 603.j., Rule 1002.c., Rule 1002.e., Rule 1003.b., Rule 1003.d., and Rule 1003.f.

ORDER

NOW, THEREFORE, IT IS ORDERED, that Plainview Oil & Gas, Inc. shall be found in violation of Rule 603.j., statewide equipment, weeds, waste, and trash requirements, Rule 1002.c., protection of soils, Rule 1002.e., surface disturbance minimization, Rule 1003.b., interim reclamation of areas no longer in use, Rule 1003.d., drilling pit closure, and Rule 1003.f., weed control, for the State #16-4 Well located in the NW¼ NW¼ of Section 16, Township 2 South, Range 70 West, 6th P.M.

IT IS FURTHER ORDERED, that Plainview Oil & Gas, Inc. shall be assessed a fine of Three Thousand dollars (\$3,000.00) payable within thirty (30) days of the date the order is approved by the Commission for violation of the above-described rules occurring on the State #16-4 Well.

IT IS FURTHER ORDERED, that Plainview Oil & Gas, Inc. shall be required to abate the above-listed violations within thirty (30) days of the date the order is approved by the Commission.

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.

IT IS FURTHER ORDERED, that under the State Administrative Procedure Act the Commission considers this order to be final agency action for purposes of judicial review within thirty (30) days after the date this order is mailed by the Commission.

IT IS FURTHER ORDERED, that an application for reconsideration by the Commission of this order is not required prior to the filing for judicial review.

Recommended this 20TH day of December, 2005.

OIL AND GAS CONSERVATION COMMISSION

By _____



David Shelton, Hearing Officer

Dated at Suite 801
1120 Lincoln Street
Denver, Colorado 80203
December 20, 2005

AGREED TO AND ACCEPTED THIS 28th DAY OF December, 2005.

PLAINVIEW OIL & GAS, INC.

By _____



Title

President