

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

IN THE MATTER OF A DENIAL OF A ) CAUSE NO. 1  
UNDERGROUND INJECTION FORMATION )  
PERMIT APPLICATION BY TC OPERATING, LLC, ) DOCKET NO. 1108-GA-08  
MESA COUNTY, COLORADO )

NOTICE OF CONTINUED HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

Rule 325.a. of the Rules and Regulations of the Oil and Gas Conservation Commission requires that no person shall commence operations for the underground disposal of water, or any other fluids, into a Class II well, or any well regulated by the Commission, nor shall any person commence construction of such a well, without having first obtained written authorization for such operations from the Director.

Rule 325.b. states that The Director may withhold the issuance of a permit and the granting of approval of any Underground Injection Formation Permit Application, Form 31 and any Injection Well Permit Application, Form 33 for any proposed disposal well when the Director has reasonable cause to believe that the proposed disposal well could result in a significant adverse impact on the environment or public health, safety and welfare. In the event such approval is not granted, the Director shall immediately advise the operator and bring the matter to the Commission at its next regularly scheduled hearing.

On April 30, 2010, TC Operating LLC ("TC Operating") submitted an application for an underground injection control ("UIC") well for its proposed Deer Creek Disposal Facility and its Deer Creek SWD 1 Well, a class II UIC well, located in the NE $\frac{1}{4}$ , Section 2, Township 14 South, Range 98 West, 6<sup>th</sup> P.M., Mesa County Colorado. The application requested authorization to inject into the Entrada Formation and the Chinle Formation. Commission staff ("Staff") rejected the proposal to inject into the Entrada Formation, and TC Operating amended its application to inject only into the Chinle Formation. A permit to drill was issued April 30, 2010, but expired before TC Operating drilled the well.

On January 26, 2011, TC Operating resubmitted an application, targeting the Chinle Formation and the Granite Wash Formation. The well was drilled on February 21, 2011. Well logs were run on March 8, 2011 and casing was set on March 9, 2011. Staff determined that the perforated zone was actually in the Wingate Formation and not the Chinle, as reported by TC Operating.

On June 13, 2011, the Director sent a letter to TC Operating, withholding approval of its Injection Well Permit Application pursuant to Rule 325.b. Staff concluded there is reasonable cause to believe that the proposed disposal well could result in a significant adverse impact on the environment or public health, safety or welfare, and that protection of underground sources of drinking water in the Dakota Formation cannot be adequately assured if the permit were issued. This matter is being set for hearing by the Commission pursuant to Rule 325.b.

NOTICE IS HEREBY GIVEN, that the Oil and Gas Conservation Commission of the State of Colorado, pursuant to the above, has rescheduled the above-entitled matter for hearing that was originally set for Monday, August 8, 2011 to:

Date: Monday, September 19, 2011  
Tuesday, September 20, 2011

Time: 9:00 a.m.

Place: To be determined. Will be in the Denver metropolitan area at a location that will be announced on the Commission website:  
<http://cogcc.state.co.us/>

In accordance with the Americans with Disabilities Act, if any party requires special

accommodations as a result of a disability for this hearing, please contact Margaret Humecki at (303) 894-2100 ext. 5139, prior to the hearing and arrangements will be made.

Pursuant to said hearing in the above-entitled matter at the time and place aforesaid, or at any adjourned meeting, the Commission will enter such orders as it deems appropriate to promote the development of oil and gas in Colorado in a manner consistent with protection of protect the health, safety and welfare of the public and to prevent the waste of oil and gas, either or both, in the operations of said field, and to carry out the purposes of the statute.

Any interested party may file with the Commission a statement under Rule 510 or, if the party may be adversely affected or aggrieved and desires to be heard, the party may file with the Commission, no later than August 5, 2011, a request to intervene in this matter, including a written motion to intervene, briefly stating the basis of the intervention and the reasons why such party should be allowed to participate in the hearing. Such interested party shall, at the same time, serve a copy of the statement or intervention to the attorney for TC Operating, LLC identified below. An original and 13 copies shall be filed with the Commission. Anyone who files a motion to intervene must be able to participate in a prehearing conference shortly after August 5, 2011. If a party who has received notice wishes to receive further pleadings in the above-referenced matter, that party must file a statement or a motion to intervene by August 5, 2011.

IN THE NAME OF THE STATE OF COLORADO

OIL AND GAS CONSERVATION COMMISSION  
OF THE STATE OF COLORADO

By



Robert A. Willis, Acting Secretary

Dated at Suite 801  
1120 Lincoln Street  
Denver, Colorado 80203  
July 14, 2011

Attorneys for TC Operating:  
Stephen J. Sullivan  
Welborn Sullivan Meck & Tooley, P.C.  
1125 17<sup>th</sup> Street, Suite 2200  
Denver, CO 80202  
(303) 830-2500