

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

IN THE MATTER OF ALLEGED VIOLATIONS OF THE ) CAUSE NO. 1V  
 RULES AND REGULATIONS OF THE COLORADO )  
 OIL AND GAS CONSERVATION COMMISSION BY ) DOCKET NO. 1310-OV-17  
**LONESTAR GEOPHYSICAL SURVEYS**, KIOWA, )  
 LINCOLN, PROWERS & CROWLEY COUNTIES, )  
 COLORADO )

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

Pursuant to Rule 522.c., the Colorado Oil and Gas Conservation Commission (“Commission” or “COGCC”) Staff will apply to the Commission at its October 28-29, 2013, hearing for an Order Finding Violation (“OFV”) against LoneStar Geophysical Surveys (“LoneStar”) (Operator No. 10436).

LoneStar is a seismic operator that gathers seismic data and conducts seismic vibrosis programs. Between May and December of 2012, LoneStar conducted five seismic vibrosis programs in four Counties in Colorado as described below.

Project Name	County	Date (Start)	Date (Completion)	Legal Description
Indian Camp	Kiowa	5/8/2012	5/12/2012	Sections 10, 11, 14, 15, and 22, T47W, R10 S, 6th P.M.
Punkin	Lincoln	5/9/2012	6/1/2012	Sections 2, 3, 4, 5, 8, 9 and 10, T 55 W, R 10 S and Sections 32 and 33 T 55 W, R 9 S, 6th P.M.
Sentinel	Kiowa & Prowers	5/29/2012	6/1/2012	Sections 30 and 31, T 45 W, R 20 S, 6th P.M.; Section 36 of T 46 W, R 20 S 6th P.M.; & Sections 5 and 6, T 45 W, R 21 S. 6th P.M.
Crowley 2D	Crowley	8/25/2012	8/29/2012	All Sections, T 56 W, R 20 S, 6th P.M.; & Section 36, T 56 W, R 19 S, 6th P.M.
Big Wampum 3D	Lincoln	12/13/2012	12/18/2012	Sections 1, 2, 3, 10, 11, 12, 13, 14, 15, 22, 23, 24, 25, 26, 27, 35 and 36, T 56 W, R 10 S, 6th P.M. & Sections 31 and 32, T 55 W, R 10 S, 6th P.M.

LoneStar was not registered in the State at the time, and did not provide a Seismic Bond. LoneStar conducted the seismic vibrosis programs without first submitting and/or receiving an approved Form 20 of Form 20A. LoneStar also failed to notify Local Government Designees (LGD’s) of the intended and completed activity.

On April 25, 2013 LoneStar self-reported the five above-referenced seismic vibrosis projects. On or about May 10, 2013, LoneStar properly registered with the State and submitted the requested Seismic Bond and Form 20's and 20A's for all projects. A subsequent staff inspection identified surface damage from LoneStar operations from the Crowley 2D seismic vibrosis program in Crowley County.

On August 29, 2013, Commission Staff issued a Notice of Alleged Violation ("NOAV") (No. 200386330) to LoneStar for violations related to matters described above. The NOAV cited violations of the following COGCC Rules of Practice and Procedure, 2 CCR 404-1 ("Rule" or "Rules").

- a. Rule 302.a. (Registration for Oil and Gas Operations);
- b. Rules 333.a (Seismic Operations COGCC Form 20, Notice of Intent to Conduct Seismic Operations); 333.b. (Seismic Operations, Surface Owner Consultation); and 333.e. (Seismic Operations, Bonding Requirements); and
- c. Rule 705. (Seismic Operations).

COGCC staff requests that LoneStar be found in violation of rules cited above and assessed a penalty pursuant to Rule 523.

NOTICE IS HEREBY GIVEN, pursuant to: 1) the general jurisdiction granted to the Oil and Gas Conservation Commission of the State of Colorado (Commission) under § 34-60-105 C.R.S.; 2) specific powers granted pursuant to § 34-60-106 C.R.S.; 3) the Colorado Administrative Procedures Act at § 24-4-105 C.R.S.; and 4) the Commission's Series 500 Rules at 2CCR 404-1, that the Commission has scheduled the above-entitled matter for hearing on:

Date: Monday, October 28, 2013  
Tuesday, October 29, 2013  
Time: 9:00 a.m.  
Place: Limon Community Center  
477 D Avenue  
Limon, CO 80826

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 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.

In accordance with Rule 509., any interested party desiring to protest the granting of the application or to intervene on the application should file with the Commission a written protest or intervention no later than October 11, 2013, briefly stating the basis of the protest or intervention. One electronic, one original and two copies shall be filed with the Commission. Anyone who files a protest or intervention must be able to participate in a prehearing conference during the week of October 11, 2013. Pursuant to Rule 503.g., if a party who has received notice under Rule 503.b. wishes to receive further pleadings in the above-referenced matter, that party must file a protest or intervention in accordance with these rules.

OIL AND GAS CONSERVATION COMMISSION  
OF THE STATE OF COLORADO

By  \_\_\_\_\_  
for Robert U. Frick, Secretary

Dated: October 7, 2013

Colorado Oil and Gas Conservation Commission  
1120 Lincoln Street, Suite 801  
Denver, Colorado 80203  
Website: <http://cogcc.state.co.us>  
Phone: (303) 894-2100  
Fax: (303) 894-2109