

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 **SUNDANCE ENERGY**) DOCKET NO. 1309-OV-24
INC., WELD COUNTY, 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 December 16-17, 2013 hearing for an Administrative Order by Consent ("AOC") with Sundance Energy Inc. ("Sundance") (Operator No. 10340).

On July 21, 2013 Sundance spud the Hornung #21-28 Well ("Well") (API# 05-123-37370) in the NW ¼, NW ¼, Section 28, Township 4 North, Range 68 West, 6th P.M., Weld County.

A Condition of Approval on the Form 2- APD required Sundance to provide the Commission 48 hours notice prior to moving in and rigging up via a Form 42. Notice of this action was not received by the Commission until July 25, 2013 (OGCC #400455972). Failure to comply with a condition of approval of a permit is a violation of § 34-60-121(1) C.R.S.

On July 23, 2013 the Commission received a Complaint (OGCC Document #200383514) about concerning noise, odors and lights at the Well.

On July 24, 2013 an OGCC inspection supervisor conducted an inspection (OGCC #665400651) of the Well and Location (OGCC ID #432945). No issues concerning noise, odors or lights were observed, but a formal noise survey could not be completed due to atmospheric conditions.

On July 25, 2013 a follow up inspection (#665400653) was conducted to perform a noise survey. No noise violations were observed. However, the inspector noted the surface location of the Well was less than one and one-half times the rig height from County Roads 5 and 42 and an overhead power line, in violation of Rule 603.a.(1) of the COGCC Rules of Practice and Procedure, 2 CCR 404-1 ("COGCC Rule(s)"). The rig was in place, in violation of COGCC Rule 603.a.(1), for seven days.

Subsequently, COGCC staff determined setback distances on Sundance's Form 2A associated with the Well (document no. 400396019) were incorrect. Staff alleges providing inaccurate information on a Form 2A is a violation of COGCC Rule 206.

On August 16, 2013 Commission staff issued Sundance a Notice of Alleged Violation No. 200384968 ("NOAV") for violations related to the 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 603.a.(1) Statewide Location Requirements
- b. Rule 206.a. Reports
- c. § 34-60-121(1) C.R.S. Failure to Comply with Permit Condition

COGCC staff requests that Sundance 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, December 16, 2013
Tuesday, December 17, 2013
Time: 9:00 a.m.
Place: Ralph L. Carr Colorado Judicial Center
1300 Broadway, Conference Room 1C
Denver, CO 80203

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 December 2, 2013, briefly stating the basis of the protest or intervention. An original and two copies shall be filed with the Commission along with an electronic version. Anyone who files a protest or intervention must be able to participate in a prehearing conference during the week of December 2,, 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  _____
Robert J. Frick, Secretary

Dated: November 5, 2013
Colorado Oil and Gas Conservation Commission
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