

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

IN THE MATTER OF ALLEGED VIOLATIONS OF) CAUSE NO. 1V
THE RULES AND REGULATIONS OF THE)
COLORADO OIL AND GAS CONSERVATION) DOCKET NO. 1410-OV-53
COMMISSION BY **MARALEX RESOURCES INC,**)
MESA AND LA PLATA 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, 2014, hearing for an Order Finding Violation ("OFV") against Maralex Resources Inc. ("Maralex") (Operator No. 53255).

Maralex Resources Inc. ("Maralex") (Operator No. 53255) is the operator of the Wells listed below in Table 1:

Table 1

Well Name	API No.	NOAV No.	NOAV Issue Date
Sulfur Gulch 9-98-10 2 ("Sulfur Gulch 2 Well")	05-077-08691	200344211	3/23/2012
Katie Eileen 34-7-35 2 ("Katie Eileen 2 Well")	05-067-08014	400623453 200410618	6/12/2014 8/18/2014
Katie Eileen 34-7-35 2A ("Katie Eileen 2A Well")	05-067-08803	400625924	6/12/2014
Katie Eileen 34-7-35 3 ("Katie Eileen 3 Well")	05-067-09351	200410618	8/18/2014

On March 23, 2012, Commission staff issued a Notice of Alleged Violation ("NOAV") No. 200344211 to Maralex citing violations of Rule 326.b.(1) (Mechanical Integrity Testing, Shut-in Wells) of COGCC Rules of Practice and Procedure, 2 CCR 404-1 ("Rule" or "Rules") at the Sulfur Gulch 2 Well.

On June 12, 2014 and August 19, 2014, Commission Staff issued Notices of Alleged Violation ("NOAV's") Nos. 400623453, 400625924, and 200410618 to Maralex citing violations of the following COGCC Rules at the Katie Eileen 2 Well, Katie Eileen 2A Well, and Katie Eileen 3 Well:

- a. Rule 204 (Reasonable Access);
- b. Rule 208 (Corrective Action);

- c. Rule 210.b. (Signs and Markers, Wells);
- d. Rule 210.d. (Signs and Markers, Containers);
- e. Rule 603.f. (Statewide Equipment, Weeds, Waste, and Trash Requirements);
- f. Rule 902.a. (Pit Construction);
- g. Rule 902.d. (Pits, Wildlife Netting);
- h. Rule 902.g. (Pits, Communication with Ground or Surface Water);
- i. Rule 905 (Closure of Pits);
- j. Rule 906 (Spills and Releases);
- k. Rule 907.a.(1) (Management of E&P Waste, Storage);
- l. Rule 1002.f. (Stormwater Management); and
- m. Rule 1003 (Interim Reclamation).

COGCC staff requests that Maralex be found in violation of the statute cited above and assessed a penalty pursuant to Rule 523, and other relief as authorized by law.

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 27, 2014
Tuesday, October 28, 2014

Time: 9:00 a.m.

Place: Durango Public Library
1900 E. 3rd Avenue
Durango, CO 81301

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 13, 2014, 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 13, 2014. 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: September 9, 2014

Colorado Oil and Gas Conservation Commission
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