

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-67  
COMMISSION BY **FOUNDATION ENERGY** )  
**MANAGEMENT, 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 October 27-28, 2014 hearing for an Order Finding Violation ("OFV") against Foundation Energy Management LLC ("Foundation") (Operator No. 10112).

Foundation is the operator of the following Wells in Weld County, identified in Table 1 below:

Table 1

Well Name	API Number	NOAV Number
Sooner Unit 2-28	05-123-13065	200408960
Sooner Unit 7-28	05-123-13138	200408958, 200412868
Sooner Unit 10-28	05-123-10637	200408959, 200412872

During inspections of the three Wells on May 8, 2014, COGCC staff discovered that Foundation had not reported or remediated spills/releases at these three Wells in accordance the 900-Series Rules. In addition, at the Sooner Unit 10-28 Well, an area of a former spill/release was not properly reseeded or controlled for erosion.

Foundation was also unable to produce flowline testing records upon COGCC's request for the past three years for the Sooner Unit 7-28 Well and Sooner Unit 10-28 Well.

On July 14, 2014, COGCC Staff issued three Notice of Alleged Violations ("NOAVs") (Nos. 200408958, 200408959, 200408960) to Foundation citing violations of the following COGCC Rules of Practice and Procedure, 2 CCR 404-1 ("Rule" or "Rules"):

- a. Rule 324A.a. (Pollution)
- b. Rule 906.b. (Spill/Release Reporting)
- c. Rule 906.c. (Spill/Release Remediation)
- d. Rule 907.e. (Oily Waste)
- e. Rule 1002.f. (Stormwater Management)

f. Rule 1003.e. (Interim Reclamation)

On September 25, 2014, COGCC staff issued NOAV Nos. 200412868 and 200412872 to Foundation citing violations of Rule 1101.e. (Pressure Testing for Flowlines) at the Sooner Unit 7-28 and Sooner Unit 10-28 Wells.

COGCC staff requests that Foundation 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 27, 2014  
Tuesday, October 28, 2014

Time: 9:00 a.m.

Place: Durango Public Library  
1900 E. 3<sup>rd</sup> Avenue  
Durango, CO 81301

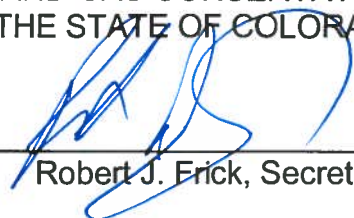
In accordance with the Americans with Disabilities Act, if any party requires special accommodations as a result of a disability for this hearing, please contact Margaret Humecki at (303) 894-2100 ext. 5139, prior to the hearing and arrangements will be made.

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 10, 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 10, 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. Erick, Secretary

Dated: September 25, 2014

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