

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. 150500143
COMMISSION BY CM PRODUCTION LLC,)	TYPE: ENFORCEMENT
JACKSON COUNTY, COLORADO)	

NOTICE AND APPLICATION FOR HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

Pursuant to Rule 522.e., the Colorado Oil and Gas Conservation Commission ("Commission" or "COGCC") Staff will apply to the Commission at its May 18-19, 2015 hearing for an Order Finding Violation ("OFV") against CM Production LLC ("CM") (Operator No. 10352). This Notice and Application is being served to adjudicate the allegations made in the below-described Notice of Alleged Violation ("NOAV"), the allegations of which are incorporated herein.

CM operates the Margaret Spaulding Location (Location No. 324634) in Jackson County, Colorado (the "Location"), formerly owned by Lone Pine Gas, Inc. ("Lone Pine").

On May 6, 2013, the Colorado Oil and Gas Conservation Commission and Lone Pine Gas, Inc. ("Lone Pine") entered into an Administrative Order by Consent ("Lone Pine AOC" or "Order 1V-412") to resolve Notices of Alleged Violations issued by the Commission against Lone Pine on or about September 27, 2010 (NOAV No. 200272892) and on or about December 22, 2011 (NOAV No. 200334881). Order 1V-412 required numerous remedial actions related to environmental damage from exploration and production wastes and pit use.

On May 6, 2013, the Commission also entered a Stipulated Order with CM ("Order 1V-413") which acknowledged CM's expectation to buy Lone Pine's assets, and further acknowledged CM's willingness to become jointly and severally liable with Lone Pine for performing all corrective actions required by, and for payment of the penalty imposed under Order 1V-412. CM closed the purchase of Lone Pine assets in June 2013.

Order 1V-412 provided a compliance schedule for the Location, specifying corrective actions and completion dates. One of those requirements specified that former water treatment pits be decommissioned to Table 910-1 standards pursuant to an approved Form 27 by July 1, 2014. This date was extended by letter from the Director dated June 25, 2014 to November 1, 2014.

On November 21, 2014, Staff issued a Notice of Alleged Violation ("NOAV") (No. 200417500) to CM for violating Order 1V-412 and 1V-413 for failing to decommission the former water treatment pits to Table 910-1 standards by the extended deadline of November 1, 2014.

COGCC staff requests that CM be found in violation of the Orders 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, May 18, 2015
Tuesday, May 19, 2015

Time: 9:00 a.m.

Place: Aims Community College, Fort Lupton Campus
260 College Avenue
Platte Building, Room PL 111 and PL 113
Fort Lupton, CO 80621

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 May 4, 2015, 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 May 4, 2015. 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 Jill Dorancy, Acting Secretary

Dated: April 1, 2015
Colorado Oil and Gas Conservation Commission
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