

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 **OXY USA**) DOCKET NO. 150900356
INC, HUERFANO COUNTY, COLORADO) TYPE: ENFORCEMENT

NOTICE AND APPLICATION FOR HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

Pursuant to Rule 522.d. the Colorado Oil and Gas Conservation Commission ("Commission" or "COGCC") Staff will apply to the Commission at its July 20-21, 2015 hearing for an Order Finding Violation ("OFV") against **OXY USA Inc. ("OXY")** (Operator No. 66561). 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.

OXY is the operator of the Sheep Mountain Unit Drill Site 2 Location (Location No. 334549) ("Location"). On March 17, 2014, OXY submitted a Form 2A, Oil and Gas Location Assessment, to amend the existing Location (Doc. No. 400523274) and a Form 2, Application for Permit to Drill (Doc. No. 400521963) for the addition of a new well. On May 2, 2014, the Commission approved OXY's Form 2A. On May 6, 2014, the Commission approved OXY's Form 2.

On August 14, 2014, a surface owner filed a complaint alleging that OXY had removed trees from her property (Doc. No. 200410625). On August 27, 2014, COGCC Staff inspected the site and confirmed that trees had been removed from the site with heavy equipment (Doc. No. 668002524). In an email to COGCC Staff, Oxy confirmed that this tree removal, mostly by using a masticator, began on April 28, 2014 – prior to the approval of the Form 2A or Form 2. OXY failed to obtain its Form 2A permit approval prior to beginning construction.

On April 8, 2015, Commission Staff issued a Notice of Alleged Violation ("NOAV") (No. 200429162) to OXY for a violation of Rule 303.b.(1) (Form 2A, Oil and Gas Location Assessment) of the COGCC Rules of Practice and Procedure, 2 CCR 404-1 ("Rule" or "Rules") for commencing construction prior to receiving an approved Form 2A.

COGCC staff requests that OXY be found in violation of Rule 303.b.(1) 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, September 14, 2015
Tuesday, September 15, 2015

Time: 9:00 a.m.

Place: Western State Colorado University
University Center, South Ballroom
600 North Adams Street
Gunnison, CO 81231

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 August 31, 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 August 31, 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  _____
Julie Murphy, Secretary

Dated: July 1, 2015

Colorado Oil and Gas Conservation Commission
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