

*** NOTICE OF ALLEGED VIOLATION ***

OGCC Operator Number: 63440
Name of Operator: NOCO OIL COMPANY LLC
Address: 3811 TURTLE CREEK, SUITE 700
City: DALLAS State: TX Zip: 75219-4419
Company Representative: JOHN CALLAHAN

Date Notice Issued:
01/24/2002

Well Name: GILLETTE, MILES & DON Well Number: 10 Facility Number: 238805
Location (QtrQtr, Sec, Twp, Rng, Meridian): SWSE 9 9N 61W 6 County: WELD
API Number: 05 123 05676 00 Lease Number: 56480
COGCC Representative: DIMATTEO ED Phone Number: 303 894-2100

THE FOLLOWING ALLEGED VIOLATION WAS FOUND BY THE COGCC REPRESENTATIVE FOR THE SITE LISTED

Date of Alleged Violation: 01/24/2002 Approximate Time of Violation:

Description of Alleged Violation:
PRODUCTION REPORTS NOT SUBMITTED FOR THIS WELL COVERING THE FOLLOWING MONTHS: NOVEMBER-1999, MAY-2000 THROUGH JULY-2000, NOVEMBER-2000 THROUGH NOVEMBER-2001 INCLUSIVE. PRODUCTION REPORTS SUBMITTED FROM JANUARY-2000 THROUGH APRIL-2000, AUGUST-2000 THROUGH OCTOBER-2000 INCORRECT AND INCOMPLETE. PRODUCTION LEVY NOT SUBMITTED FOR FOLLOWING QUARTERS: 4TH QTR 1999, 1ST QTR 2000, 2ND QTR 2000, 3RD QTR 2000, 4TH QTR 2000 AND 3RD QTR 2001. COGCC FORM 10 SUBMITTED IN 1999 INCOMPLETE. OPERATOR WAS CONTACTED NUMEROUS TIMES BY BOTH PHONE AND CERTIFIED LETTER IN AN ATTEMPT TO OBTAIN COMPLIANCE. REPORTING COMPLIANCE WAS NOT OBTAINED.

Act, Order, Regulation, Permit Conditions Cited:
COGCC RULE 309 COGCC FORM 7 OPERATOR'S MONTHLY PRODUCTION REPORT, COGCC RULE 310A COGCC FORM 8 MILL LEVY AND COGCC RULE 312 COGCC FORM 10 CERTIFICATE OF CLEARANCE AND/OR CHANGE OF OPERATOR

Abatement or Corrective Action Required to be Performed by Operator:*

ALL REQUIRED FORMS AND REPORTS SHOULD BE RECEIVED ON THE COGCC FORMS PROVIDED AT THIS OFFICE NO LATER THAN 5:00 PM FEBRUARY 28, 2002. FAILURE TO COMPLY OR RESPOND WILL RESULT IN AN ADMINISTRATIVE ORDER OF CONSENT RECOMMENDING A BASE FINE OF \$500 PER VIOLATION AND POSSIBLE FORFEITURE OF BOND. NO CHANGE OF OPERATOR FORM WILL BE PROCESSED NOR ANY BOND RELEASED UNTIL ALL FORMS HAVE BEEN RECEIVED.

Abatement or Corrective Action to be Completed by (date): 02/28/2002
* Proper and timely abatement does not necessarily preclude the assessment of penalties and an Order Finding Violation.

TO BE COMPLETED BY OPERATOR - When alleged violation is corrected, sign this notice and return to above address:

Company Representative Name: Title:
Signature: Date:
Company Comments:

*** THIS NOTICE CONSTITUTES A SEPARATE NOTICE OF ALLEGED VIOLATION FOR EACH VIOLATION LISTED ***

WARNING

Abatement and reporting time frames for Notices of Alleged Violation begin upon receipt of the Notice or five days after the date it is mailed, whichever is earlier. Each violation must be abated within the prescribed time upon receipt of this Notice, reported to the Colorado Oil and Gas Conservation Commission at the address shown above, and postmarked no later than the next business day after the prescribed time for abatement. Should abatement or corrective action fail to occur, the Director may make application to the Commission for an Order Finding Violation. Proper and timely abatement does not necessarily preclude the assessment of penalties and an Order Finding Violation.

PENALTY PROPOSED BY THE DIRECTOR PER RULE 523

The Director may propose a penalty as listed in the table below, not to exceed a maximum of \$1,000.00 per day per violation. Such proposed penalty amount will be limited to \$10,000.00 per violation if the violation does not result in significant waste of oil and gas resources, damage to correlative rights, or a significant adverse impact on public health, safety, or welfare. Such proposed penalty amount may be increased if aggravating factors indicate the violation: was intentional or reckless; had, or threatened to have, a significant negative impact on public health, safety, or welfare; resulted in significant waste of oil and gas resources; had a significant negative impact on correlative rights of other parties; resulted in, or threatened to result in, significant loss or damage to public or private property; involved recalcitrance or recidivism upon the part of the violator; involved intentional false reporting or record keeping; resulted in economic benefit to the violator. Such proposed penalty amount may be decreased if mitigating factors indicate the violator: self-reported; promptly, effectively and prudently responded to the violation; cooperated with the Commission or other agencies with respect to the violation; could not reasonably control, or be responsible for, the cause of the violation; made a good faith effort to comply with applicable requirements prior to the Commission learning of the violation; had any economic benefit reduced or eliminated due the cost of correcting the violation; has demonstrated a history of compliance with Commission rules, regulations and orders. The Commission has final authority over the penalty amount assessed.

BASE FINE \$250.00 PER DAY PER VIOLATION:	RULES 210, 307, 311, 312, 313, 314A, 315, 403, 405, 803, 804
BASE FINE \$500.00 PER DAY PER VIOLATION:	RULES 205, 206, 207, 208, 302, 308, 309, 310, 316A, 321, 322, 328, 329, 330, 331, 332, 401
BASE FINE \$750.00 PER DAY PER VIOLATION:	RULES 605, 606A, 606B, 607
BASE FINE \$1,000.00 PER DAY PER VIOLATION:	RULES 209, 301, 303, 305, 306, 316B, 317, 317A, 318, 319, 320, 323, 324, 325, 326, 327, 333, 404, 602, 603, 604, 703, 704, 705, 706, 707, 708, 709, 711, 802, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 1002, 1003, 1004, 1101, 1102, 1103

In accordance with Rule 523.a.(4), fines for violations for which no base fine is listed shall be determined by the Commission at its discretion.

Signature of COGCC Representative: Col D. Matteo Date: 01/24/2002 Time:

Resolution Approved by: Col D. Matteo Date: 8/16/02
Production reports received from third party.
AOC proposed but with drawn when production reports received

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

7099 3400 0015 1439 4586

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Postmark
Here

Guillette 10
Sheetz 1

Recipient's Name (Please Print Clearly) (to be completed by mailer)	
Noco Oil Co LLC	
Street, Apt. No., or P.O. Box No.	
3811 Turtle Crk, Suite 700	
City, State, ZIP+4	
Dallas TX 75219-4419	

PS Form 3800, February 2000

See Reverse for Instructions