



10/29/2012

200367111

\*\*\* NOTICE OF ALLEGED VIOLATION \*\*\*

OGCC Operator Number: 100185  
Name of Operator: ENCANA OIL & GAS (USA) INC  
Address: 143 DIAMOND AVE.  
City: PARACHUTE State: CO Zip: 81635  
Company Representative: MITCH STEINKE

Date Notice Issued:

10/29/2012

Well Name: SG Well Number: WD16A-19 C Facility Number: 426257  
Location (QtrQtr, Sec, Twp, Rng, Meridian): NENW 19 4S 95W 6 County: GARFIELD  
API Number: 05 045 21133 00 Lease Number: COC64805

COGCC Representative: LONGWORTH MIKE Phone Number: 970 243-1183

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

Date of Alleged Violation: 10/22/2012

Approximate Time of Violation:

Description of Alleged Violation:

COGCC staff was called to witness MIT on UIC well EnCana SG WD16A-19 (045-21133). MIT failed. Trying to pressure to 3500 psi got to 1918 psi and well went on a suck. Tubing pressure dropped from 1350 psi to 1300 psi. Braden was on a suck before starting test and had a light blow after casing failed. MIT was not performed successfully.

Act, Order, Regulation, Permit Conditions Cited:

326.a.(1)

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

Any and all repair shall be report and approved by COGCC Engineering Staff. Provide a letter of repairs to well. Send a Form 42 to notify COGCC Staff of MIT date and time so it can be witnessed.

Abatement or Corrective Action to be Completed by (date): 04/23/2013

\* 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: Mitchell J. Steinker Title: Workover/hoE Coordinator  
Signature: [Signature] Date: 01-21-2013  
Company Comments:

Pulled defective Packer, Ran 5 1/2" arm caliper log. Wireline sex Baker model "F"  
Packer at 6920'. Installed 3 1/2" 9.2" N80 T6g into Packer @ 6920'. Tested T6g to 7000  
Psi. Tested Packer and 5 1/2" casing to 2240 PSI. MIT well to 2000 PSI.

\*\*\* 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.

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 to the cost of correcting the violation; has demonstrated a history of compliance with Commission rules, regulations, and orders. The

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: [Signature] Date: 1-31-13 Time: 11:00 AM

Resolution Approved by: \_\_\_\_\_ Date: \_\_\_\_\_

January 24, 2013

Mike Longworth  
NW Region Field Inspector  
Colorado Oil & Gas Conservation Commission

RE: SGWD 16A-19 C19 495 Well Repair History

Subsequent to MIT failure and NOAV issued 10/29/2012

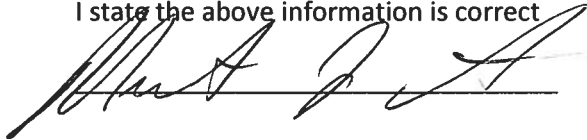
Mike,

Below is the summary of repairs performed on the subject well. I have enclosed the original NOAV for you to sign.  
Thanks for your cooperation on this issue.

MIRU service rig. POOH LD 3 ½" 9.2# N80 ULT-FJ injection tubing. RIHW 2 3/8" 4.7 N80 EUE workstring and packer releasing tool. Release and POOH with 5 ½" RSB packer. RDMO service rig. RU Pioneer wireline and run 56 finger caliper log from 6980-4800'. Found no abnormal issues on 5 ½" 17" P110 casing ID. RIHW Baker 5 ½" 17# F-1 packer and set top of packer @ 6920' WLM. Pressure test casing & packer to 1000 psi. MIRU service rig. RIHW 3 ½" 9.2# N80 ULT-FJ IPC tubing. Hydrotested tubing to 7000 psi. Sting into packer @ 6920. Pressure test casing & packer to 2240 psi with rig pump. Install surface equipment and RDMO service rig. RU GE Wood Group test unit and MIT well with COGCC representative Mike Longworth present to observe. Pressure casing to 2022 psi, leakoff to 2015 psi in 15 minutes. Bleed to 0 psi and release GE Wood Group test unit. RU Northern Lights slickline unit and run 1.250" sinker bar. Break ceramic disc sub. Tubing went on strong vacuum. Run sinker bar past EOT to confirm disc broken. RDMO Northern Lights.

Job Complete

I state the above information is correct



**Mitch Steinke**

**N. Piceance Workover/LOE Coordinator**

*Encana Oil & Gas (USA)*

*143 Diamond Avenue*

*Parachute CO 81635*

*Office: 970.285.2654*

*Cell: 303.918.3844*