

State of Colorado  
Oil and Gas Conservation Commission

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Document Number:  
400957128

Date Issued:  
12/31/2015

NOTICE OF ALLEGED VIOLATION - ISSUED

Per Rule 522, the Director has reasonable cause to believe that a violation of the Act, or of any Commission rule, order, or permit has occurred, the Director will require the operator to remedy the violation and may commence an enforcement action seeking penalties by issuing a Notice of Alleged Violation (NOAV). Per Rule 523, an operator who violates the Act, or a Commission rule, order, or permit may be subject to a penalty imposed by Commission order.

OPERATOR INFORMATION

OGCC Operator Number: 95245  
Name of Operator: WELLSTAR CORPORATION  
Address: 11990 GRANT ST STE 550  
City: NORTHGLENN State: CO Zip: 80233

Contact Name and Telephone:  
Name: Connie Elliott  
Phone: (303) 991-0646 Fax: ( )  
Email: cee@wellstarcop.com

Well Location, or Facility Information (if applicable):

API Number: 05-057-06476-00 Facility or Location ID:  
Name: THREE RIVERS UNIT Number: 10-2H  
QtrQtr: SENE Sec: 10 Twp: 8N Range: 78W Meridian: 6  
County: JACKSON

ALLEGED VIOLATION

Rule: 210

Rule Description: Signs and Markers

Initial Discovery Date: Was this violation self-reported by the operator? No  
Date of Violation: Approximate Time of Violation:  
Was this a discrete violation of obvious duration? No

Description of Alleged Violation:

A July 22, 2014 inspection report (Document #673400869) for API 057-06476 required Wellstar to properly install signage at the wellhead and tank by August 5, 2014, pursuant to Rules 210.b.(1) and 210.d.(1). A September 9, 2015 inspection report, Document #673402436 required Wellstar to properly install signage at the battery by October 9, 2015, pursuant to Rule 210.b.(2). At the time of COGCC's most recent inspection of API 057-06476 on October 13, 2015 (Document #673402544), proper signage was not installed at the wellhead, the tank, or the battery, violating Rules 210.b.(1), 210.d.(1) and 210.b.(2).

Abatement or Corrective Action Required to be Performed by Operator: Corrective Action Due Date: 12/31/2015

Proper and timely abatement does not preclude the assessment of penalties and an Order Finding Violation.

Wellstar shall immediately install proper signage for the wellhead, the tank, and the battery.

Rule: 605.a.(4)

Rule Description: Oil & Gas Facilities- Berms

Initial Discovery Date: Was this violation self-reported by the operator? No  
Date of Violation: Approximate Time of Violation:  
Was this a discrete violation of obvious duration? No

Description of Alleged Violation:

A July 22, 2014 inspection report (Document #673400869) for API 057-06476 required Wellstar to fix the berms for Water Tank #1, Crude Tank #1, and Tank #3 to consolidate the berm material by October 9, 2015, pursuant to Rule 605.a.(4). At the time of COGCC's most recent inspection of API 057-06476 on October 13, 2015 (Document #673402544), the Water Tank #1, Crude Tank

#1, and Tank #3 berm materials were not consolidated, violating Rule 605.a.(4).

Abatement or Corrective Action Required to be Performed by Operator: \_\_\_\_\_ Corrective Action Due Date: 12/31/2015

**Proper and timely abatement does not preclude the assessment of penalties and an Order Finding Violation.**

Wellstar shall immediately repair the above referenced berms by consolidating the material to insure the containments are sufficiently impervious to contain any spilled or released materials.

Rule: 605.b

Rule Description: O&G Facilities - Fired Vessel, Heater-Treater

Initial Discovery Date: \_\_\_\_\_ Was this violation self-reported by the operator? No

Date of Violation: \_\_\_\_\_ Approximate Time of Violation: \_\_\_\_\_

Was this a discrete violation of obvious duration? No

Description of Alleged Violation:

A September 9, 2015 inspection report, Document #673402436 required Wellstar to confirm if screens are being utilized on the exhaust stacks to protect wildlife by October 9, 2015, pursuant to Rule 605.b.(7). To date Wellstar has failed to confirm that the exhaust stacks are screened, violating Rule 605.b.(7).

Abatement or Corrective Action Required to be Performed by Operator: \_\_\_\_\_ Corrective Action Due Date: 12/31/2015

**Proper and timely abatement does not preclude the assessment of penalties and an Order Finding Violation.**

Wellstar shall immediately confirm if screens are in place on the exhaust stacks to protect wildlife or, if screens are not in place, Wellstar shall install screens on all exhaust stacks and shall provide written confirmation that screens are in place to COGCC.

Rule: 906.a.

Rule Description: Spills and Releases - General

Initial Discovery Date: \_\_\_\_\_ Was this violation self-reported by the operator? No

Date of Violation: \_\_\_\_\_ Approximate Time of Violation: \_\_\_\_\_

Was this a discrete violation of obvious duration? No

Description of Alleged Violation:

Wellstar, immediately upon discovery, is required to control and contain all spills/releases, clean up, and document impacts resulting from spills/releases violating Rule 906.a. The spill incident(s) at API 057-06476 noted in Inspections on May, 19, 2014 (Document #673400565); July 22, 2014 (Document #673400869), and September 9, 2015 (Document #673402436), and October 13, 2015 (Document #673402544) (collectively "the Spills") was/were not timely cleaned up and/or documented, violating Rule 906.a.

Abatement or Corrective Action Required to be Performed by Operator: \_\_\_\_\_ Corrective Action Due Date: 12/31/2015

**Proper and timely abatement does not preclude the assessment of penalties and an Order Finding Violation.**

Wellstar shall immediately clean up and document impacts resulting from the Spills.

Rule: 906.d

Rule Description: Spill Remediation

Initial Discovery Date: \_\_\_\_\_ Was this violation self-reported by the operator? No

Date of Violation: \_\_\_\_\_ Approximate Time of Violation: \_\_\_\_\_

Was this a discrete violation of obvious duration? No

Description of Alleged Violation:

Pursuant to Rule 906.d.(1), Wellstar was required to determine the causes of spills and implement measures to prevent future spills due to those causes for the spill incidents noted in Inspections on May, 19, 2014 (Document #673400565 requiring corrective action by June 26, 2014); July 22, 2014 (Document #673400869 requiring corrective action by August 5, 2014); September 9, 2015 (Document #673402436); and October 13, 2015 (Document #673402544) (collectively "the Spills") which all identified spills at the API 057-06476 wellhead. The recurring spills at API 057-06476 demonstrate that Wellstar has not determined the causes of spills and implemented measures to prevent future spills due to those causes, violating Rule 906.d.(1).

Abatement or Corrective Action Required to be Performed by Operator: \_\_\_\_\_ Corrective Action Due Date: 12/31/2015

**Proper and timely abatement does not preclude the assessment of penalties and an Order Finding Violation.**

Wellstar shall determine and implement measures to effectively prevent future spills at the wellhead and shall provide a written description of these measures to COGCC.

**PENALTY**

Penalties for violations alleged in this NOAV will be calculated pursuant to Rule 523, with daily penalties accruing pursuant to Section 34-60-121(1), C.R.S.

**ANSWER**

Pursuant to Rule 522.d.(2), the operator must file an Answer to this NOAV within 28 days of its receipt, or a default judgement may be entered. Hard copy answers are filed with the Commission Secretary at the Commission's Denver office and should also be emailed to [dnr\\_cogccenforecment@state.co.us](mailto:dnr_cogccenforecment@state.co.us).

**NOAV ISSUED**

NOAV Issue Date: 12/31/2015

COGCC Representative Signature: *Steven Mal for*

COGCC Representative: Waldron, Emily Title: Area (102) Field Inspect

Email: emily.waldron@state.co.us Phone Num: (970) 276-9395

**ATTACHMENT LIST**

View Attachments in Imaged Documents on COGCC website (<http://ogccweblink.state.co.us/>) - Search by Document Number.

<u>Document Number</u>	<u>Description</u>

Total Attach: 0 Files