

State of Colorado  
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203  
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Date Issued:

08/05/2016

**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: 10459

Name of Operator: EXTRACTION OIL & GAS LLC

Address: 370 17TH STREET SUITE 5300

City: DENVER State: CO Zip: 80202

Contact Name and Telephone:

Name: Matt Owens

Phone: (720) 382-2693 Fax: ( )

Email: mowens@extractionog.com

Additional Operator Contacts

Email

Erin Mathews

emathews@extractionog.com

**Well Location, or Facility Information (if applicable):**

API Number: 05-123-40261-00

Facility or Location ID:

Name: Wind

Number: 11

QtrQtr: NWSW

Sec: 31

Twp: 5N

Range: 67W

Meridian: 6

County: WELD

**ALLEGED VIOLATION**

Rule: 603.a

Rule Description: Statewide Location Requirements

Initial Discovery Date: 06/20/2016

Was this violation self-reported by the operator? No

Date of Violation:

Approximate Time of Violation:

Was this a discrete violation of obvious duration? Yes

Description of Alleged Violation:

Pursuant to Rule 603.a.(1), at the time of initial drilling, Extraction Oil & Gas LLC (Operator) is required to locate wells not less than 200 feet from major above ground utility lines. On March 7, 2015, Operator spud the Wind #11 (API 123-40261) well 190 feet from an overhead utility line. The Approved Form 2, Application to Drill, Document #400642164, specified a distance of 204 feet from the overhead utility line to the Wind #11 well. Operator did not request a 502.b variance to Rule 603.a.(1) prior to spud. Operator located the Wind #11 well less than 200 feet from a major above ground utility line, violating Rule 603.a.(1).

Abatement or Corrective Action Required to be Performed by Operator:

Corrective Action Due Date: 08/05/2016

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

Operator has now submitted a Form 4 with a 502.b variance request letter, an explanation of the circumstances which led to this violation, and a waiver from the utility company which maintains the utility line. Operator must institute an internal procedure to ensure that this type of violation will not occur again. No further corrective action is required at this time.

### 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\\_cogccenforcement@state.co.us](mailto:dnr_cogccenforcement@state.co.us).

### NOAV ISSUED

NOAV Issue Date: 08/05/2016

COGCC Representative Signature: Barbara Westerdale

COGCC Representative: Barbara Westerdale

Title: Permit/Completion Supervi

Email: barbara.westerdale@state.co.us

Phone Num: (303) 894-2100x5159

### 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>
401089679	NOAV COVER LETTER
401089681	NOAV CERTIFIED MAIL RECEIPT

Total Attach: 2 Files