

State of Colorado
Oil and Gas Conservation Commission

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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: 10460
Name of Operator: HIGH PLAINS ENERGY LLC
Address: 4545 S MONACO STREET #116
City: DENVER State: CO Zip: 80237
Contact Name and Telephone:
Name: Randy Wheat
Phone: (720) 480-7776 Fax: ()
Email: randy@highplainsenergyllc.com

Well Location, or Facility Information (if applicable):

API Number: 05-061-06881-00 Facility or Location ID:
Name: WEIMER STATE 16-19-47 Number: 1-H
QtrQtr: NENE Sec: 16 Twp: 19S Range: 47W Meridian: 6
County: KIOWA

ALLEGED VIOLATION

Rule: 308A
Rule Description: Drilling Completion Report
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 308A, High Plains Energy LLC (Operator) is required to submit a Form 5, Final Drilling Completion Report, within 60 days after rig release after drilling. Operator submitted a -01 Form 5, Final Drilling Completion Report, for the Weimer State 16-19-47 #1-H well, API 061-06881, (Well) on July 11, 2013 (Document #400445996). Document #400445996 failed to include the cement bond log (CBL). Operator submitted a -02 Form 5, Final Drilling Completion Report, for the well on January 10, 2014 (Document #400537987). Document #400537987 failed to include the directional survey or the above mentioned CBL. COGCC staff made requests for missing information on January 10, 2014; December 16, 2014; January 13, 2015; and October 14, 2015, but the information has not been submitted to date. Operator failed to submit complete Form 5's, Final Drilling Completion Reports, with required log information for the Well, violating Rule 308A.

Abatement or Corrective Action Required to be Performed by Operator: Corrective Action Due Date: 12/16/2016
Proper and timely abatement does not preclude the assessment of penalties and an Order Finding Violation.

Operator shall submit a revised Form 5's, Final Drilling Completion Reports, for the -01 and -02 wellbores that correct the issues identified above.

Rule: 308B
Rule Description: Completed Interval Report
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 308B., High Plains Energy LLC (Operator) is required to submit a Form 5A, Completed Interval Report, within 30 days after a formation is completed and within 30 days after a formation is temporarily or permanently abandoned. Operator reported water produced from the Weimer State 16-19-47 #1-H well, API 061-06881, (Well) in July 2013, indicating the well had a completed interval. Operator conducted a Mechanical Integrity Test on July 3, 2014 and the Form 21 Testing Results (Document #2561223) submitted to COGCC indicated the well was Temporarily Abandoned (TA) at the time of the test. To date no Form 5A's have been submitted to COGCC to report the well had a completed interval in 2013 or was temporarily abandoned in 2014, violating Rule 308B.

Abatement or Corrective Action Required to be Performed by Operator: Corrective Action Due Date: 12/16/2016

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

Operator shall submit Form 5A, Completed Interval Reports, to disclose the completed interval in 2013 and temporary abandonment of the Well in 2014.

Rule: 309

Rule Description: Operator's Monthly Production Report

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 309, High Plains Energy LLC (Operator) is required to submit Form 7, Monthly Reports of Operations, for all existing oil and gas wells that are not plugged and abandoned. Operator is required to report every month from the time the well is spud until one month after abandonment. Operator spud the Weimer State 16-19-47 #1-H well, API 061-06881, (Well) on April 30, 2013. Operator failed to submit Form 7, Monthly Reports of Operations, for the Well from January 2015 through September 2016, violating Rule 309. Operator also submitted inaccurate Form 7, Monthly Reports of Operations, for the Well from April 2014 through December 2014 as it is not possible for a well to go from Waiting on Completion (WO) to Shut In (SI) and back to WO. Operator failed to accurately report the Well status from April 2014 through December 2014, violating Rule 309.

Abatement or Corrective Action Required to be Performed by Operator: Corrective Action Due Date: 12/16/2016

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

Operator shall submit Form 7 reports for the Well for January 2015 through September 2016 and revised Form 7 reports for April 2014 through December 2014.

Rule: 319.b.(1)

Rule Description: Temporary Abandonment - Notice Required

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 319.b.(1), for wells temporarily abandoned (TA), High Plains Energy LLC (Operator) is required to submit a Form 4, Sundry Notice, to the Director to request extended TA status and state plans for future operation. Additional Form 4, Sundry Notices, are required to be submitted annually stating the method by which the well is closed to atmosphere and plans for future operation. Operator conducted a Mechanical Integrity Test on the Weimer State 16-19-47 #1-H well, API 061-06881, (Well) on July 3, 2014 and the Form 21 Testing Results (Document #2561223) submitted to COGCC indicated the well was Temporarily Abandoned (TA) at the time of the test. Operator should have submitted a Form 4, Sundry Notice, requesting continued TA status. To date, Operator has not submitted a Form 4, Sundry Notice, requesting continued TA status, violating Rule 319.b.(1).

Abatement or Corrective Action Required to be Performed by Operator: Corrective Action Due Date: 12/16/2016

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

Operator shall submit a Form 4, Sundry Notice, requesting extended TA status for the Well and stating the method by which the well is closed to atmosphere and plans for future operation.

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.

NOAV ISSUED

NOAV Issue Date: 11/16/2016

COGCC Representative Signature: 

COGCC Representative: Steven Mah Title: NOAV Specialist

Email: steven.mah@state.co.us Phone Num: (303) 894-2100x5172

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>
401150943	NOAV COVER LETTER
401150944	NOAV CERTIFIED MAIL RECEIPT

Total Attach: 2 Files