

State of Colorado
Oil and Gas Conservation Commission

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Date Issued:
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NOTICE OF ALLEGED VIOLATION - RESOLVED

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: <u>90615</u>	Contact Name and Telephone:
Name of Operator: <u>TUDEX PETROLEUM INC</u>	Name: <u>Lionel Conn</u>
Address: <u>2121 39TH AVE NE UNIT E</u>	Phone: <u>(403) 250-7225</u> Fax: <u>()</u>
City: <u>CALGARY</u> State: <u>AL</u> Zip: <u>T2E 6R7</u>	Email: <u>lconn@live.ca</u>

Additional Operator Contacts	Email
Judith Hagan	TUDORCORP@hotmail.ca

Well Location, or Facility Information (if applicable):

API Number: 05-001-08162-00 Facility or Location ID: _____
 Name: CROFF Number: 12-5
 QtrQtr: SWNE Sec: 12 Twp: 1S Range: 68W Meridian: 6
 County: ADAMS

ALLEGED VIOLATION

Rule: 210.b
 Rule Description: Signs & Markers- Wells & Batteries
 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 210.b, within 60 days after the installation of a battery, Tudex Petroleum, Inc. (Operator) shall install a permanent sign at the wellhead. This sign shall provide, among other required information, the name of the Operator, a phone number at which the Operator can be reached at all times, and a phone number for local emergency services (911 where available). During an inspection on June 20, 2017 (Doc. No. 685503109), COGCC Staff observed that the signage on site at the Croff 12-5 well, API No. 001-08162 ("Well") did not include emergency contact information. COGCC Staff, in Doc. No. 685503109, required Operator to modify the signage to include emergency contact information as required by July 20, 2017. During follow up inspections on July 26, 2017 (Doc. No. 687400129), COGCC Staff observed that the signage had not been modified to include emergency contact information. Operator is therefore in violation of Rule 210.b.

Abatement or Corrective Action Required to be Performed by Operator: _____ Corrective Action Due Date: 07/20/2017

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

Operator shall install signage at the Well including emergency contact information as required by Rule 210.b.

Rule: 309
 Rule Description: Operator's Monthly Report of Operations
 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.a, Operator shall report all existing oil and gas wells that are not plugged and abandoned on the Operator's Monthly Report of Operations, Form 7, within 45 days after the end of each month. Operator shall report every month from the month that it is spud until it has been reported for one month as abandoned. A review of records in connection with a July 26, 2017 follow up inspection (Doc. No. 687400129) revealed that Operator has not filed Form 7s since January 2016. Operator has not filed Form 7s as of the issuance of this Notice of Alleged Violation. Operator is therefore in violation of Rule 309.a.

Abatement or Corrective Action Required to be Performed by Operator: _____ Corrective Action Due Date: 09/08/2017

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

Operator shall file Form 7s as required by Rule 309.a.

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:

Pursuant to Rule 906.a, operators shall, immediately upon discovery, control and contain all spills/releases of exploration and production waste or produced fluids. Operators shall investigate, clean up, and document impacts resulting from spills/releases as soon as practicable. During an inspection of the Croff 12-5 well, API No. 001-08162 ("Well") on June 20, 2017 (Doc. No. 685503109), COGCC Staff observed oil stained soil at the wellhead. COGCC Staff, in Doc. No. 685503109, required Operator to control, contain, and clean up the spill/release by July 20, 2017. During follow up inspections on July 26, 2017 (Doc. No. 687400129), COGCC Staff again observed stained soil around the wellhead. Operator is therefore in violation of Rule 906.a.

Abatement or Corrective Action Required to be Performed by Operator: _____ Corrective Action Due Date: 07/20/2017

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

Operator shall control and contain the spill/release at the Well and investigate, clean up, and document impacts resulting from the spill/release as required by Rule 906.a. Operator shall properly treat or dispose of oily waste in accordance with Rule 907.e.

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_cogccenforecmnt@state.co.us.

NOAV ISSUED

NOAV Issue Date: 09/07/2017

COGCC Representative Signature: _____

COGCC Representative: Steven Mah

Title: Enforcement Officer

Email: steven.mah@state.co.us

Phone Num: (303) 894-2100x5172

CORRECTIVE ACTION COMPLETED

Rule: 210.b

Rule Description: Signs & Markers- Wells & Batteries

Corrective Action Start Date: _____ Corrective Action Complete Date: _____

Has corrective action for this violation been performed as required? No

Description of Actual Corrective Action Performed by Operator

No action taken.

Rule: 309

Rule Description: Operator's Monthly Report of Operations

Corrective Action Start Date: _____ Corrective Action Complete Date: _____

Has corrective action for this violation been performed as required? No

Description of Actual Corrective Action Performed by Operator

No action taken.

Rule: 906.a.

Rule Description: Spills and Releases - General

Corrective Action Start Date: _____ Corrective Action Complete Date: _____

Has corrective action for this violation been performed as required? No

Description of Actual Corrective Action Performed by Operator

No action taken.

FINAL RESOLUTION

Cause #: 1V Order #: 646 Docket #: 171000766

Enforcement Action: Order Finding Violation Final Resolution Date: 10/30/2017

Final Resolution Comments:

Resolved by Order 1V-646.

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>
401395409	NOAV APPROVED
401397851	NOAV COVER LETTER
401397853	NOAV CERTIFIED MAIL RECEIPT
401397914	NOAV ISSUED
401398826	NOAV IN PROCESS

Total Attach: 5 Files