

State of Colorado
Oil and Gas Conservation Commission

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Date Issued:
05/23/2019
Date Resolved:

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: 10271
Name of Operator: WHITE RIVER DEVELOPMENT COMPANY LLC
Address: 4692 N 300 WEST #209
City: PROVO State: UT Zip: 84604

Contact Name and Telephone:
Name: ROBERT HAMMOND
Phone: (801) 885-6785 Fax: ()
Email: robert@mwigroup.net

Well Location, or Facility Information (if applicable):

API Number: 05-045-07656-00 Facility or Location ID:
Name: WOODWARD Number: 1
QtrQtr: SESW Sec: 22 Twp: 4S Range: 94W Meridian: 6
County: GARFIELD

ALLEGED VIOLATION

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., White River Development Company LLC ("Operator") shall report every existing oil and gas well that is 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 such well every month from the month it is spud until it has been reported for one month as abandoned. Operator is required to report each formation that is completed in a well every month from the time that it is completed until one month after abandonment.

On May 23, 2019, COGCC Staff conducted an audit of Operator's records for the Woodward #1 (API No. 05-045-07656, "Well"), and found that Operator has failed to submit Form 7 for the Well for the months of January 2014 and on; and the Well has not been abandoned.

Operator failed to report the Well on Form 7 for the last five years, violating Rule 309.

Abatement or Corrective Action Required to be Performed by Operator: Corrective Action Due Date: 06/24/2019

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

By the corrective action due date, Operator shall submit all delinquent Form 7 reports for the Well.

In its Rule 522.d.(2) Answer, due within 28 days of the Operator's receipt of the NOAV, Operator shall include a documentation of implementation of an internal procedure for timely compliance with Rule 309.

Rule: 326.b

Rule Description: Shut-in Wells

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 326.b., White River Development Company LLC ("Operator") is required to perform a Mechanical Integrity Test ("MIT") on shut-in ("SI") wells within two (2) years of the initial shut-in date and then at five (5) year intervals after an initial successful MIT. COGCC Rules do not permit placing a well back on production to fulfill, or in lieu of, the requirements to conduct an MIT.

Based on Operator's Form 7 Monthly Reports of Operations stating the Woodward #1 (API No. 05-045-07656, "Well") was SI since October 1, 2013, COGCC Staff has reason to believe the Well is past due for performance of an MIT.

As of May 23, 2019, Operator has not conducted an MIT for the Well, violating Rule 326.b.

Abatement or Corrective Action Required to be Performed by Operator: _____

Corrective Action Due Date: 06/24/2019

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

Within two business days of NOAV issuance, Operator shall contact Engineering Supervisor Craig Burger, 303-894-2100 ext 5687 or 970-319-4194, and negotiate a compliance plan to resolve the issue.

By the corrective action due date, Operator shall have the compliance plan in place, including having submitted an approvable Form 6-Intent if plugging the Well.

Based on the compliance plan, Operator shall perform a Bradenhead Test on the well within 30 days of NOAV issuance and submit results on a Form 17. Operator shall also conduct a successful MIT on the Well, or shall plug and abandon the Well, within 90 days of NOAV issuance.

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.

NOAV ISSUED

NOAV Issue Date: 05/23/2019

COGCC Representative Signature: _____

COGCC Representative: Kira Gillette

Title: NOAV Specialist

Email: kira.gillette@state.co.us

Phone Num: (303) EMAIL

CORRECTIVE ACTION COMPLETED

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? _____

Description of Actual Corrective Action Performed by Operator

Rule: 326.b

Rule Description: Shut-in Wells

Corrective Action Start Date: _____

Corrective Action Complete Date: _____

Has corrective action for this violation been performed as required? _____

Description of Actual Corrective Action Performed by Operator

FINAL RESOLUTION

Cause #: _____ Order #: _____ Docket #: _____

Enforcement Action: _____

Final Resolution Date: _____

Final Resolution Comments:

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>
402053715	NOAV COVER LETTER
402053716	NOAV CERTIFIED MAIL RECEIPT
402053719	NOAV ISSUED

Total Attach: 3 Files