

State of Colorado
Oil and Gas Conservation Commission

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09/12/2019

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: 10071
Name of Operator: HIGHPOINT OPERATING CORPORATION
Address: 555 17TH ST STE 3700
City: DENVER State: CO Zip: 80202

Contact Name and Telephone:
Name: MATT BARBER
Phone: (303) 312-8188 Fax: ()
Email: mbarber@hpres.com

Well Location, or Facility Information (if applicable):

API Number: 05- - -00 Facility or Location ID: 439471
Name: Coffelt Number: 5-61-35_36 NWNW
QtrQtr: NWNW Sec: 35 Twp: 5N Range: 61W Meridian: 6
County: WELD

ALLEGED VIOLATION

Rule: 205A
Rule Description: Hydraulic Fracturing Chemical Disclosure

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 205A., for all new drilling operations, Operator is required to complete the chemical disclosure registry form and post the form on the chemical disclosure registry within 60 days following the conclusion of a hydraulic fracturing treatment and in no case later than 120 days after commencement of such hydraulic fracturing treatment.

On June 6, 2019, COGCC Staff conducted an audit ("Audit") of Operator's records for the well(s) ("Well") at the subject location ("Pad"), and determined that at least one Well at the Pad was hydraulically stimulated and Operator did not submit the required disclosures until greater than 60 days after concluding the treatment or greater than 120 days after commencing the treatment, or that the hydraulic fracturing treatment dates Operator reported in to the registry were incorrect or did not match the dates Operator reported on the associated Form 5A.

Operator failed to submit accurate disclosures to FracFocus within 60 days of concluding, or 120 days of commencing, a hydraulic fracturing treatment, violating Rule 205A.

Abatement or Corrective Action Required to be Performed by Operator: _____ Corrective Action Due Date: 10/11/2019

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

In its Rule 522.d.(2) Answer, due within 28 days of the Operator's receipt of the NOAV, Operator shall demonstrate to COGCC that all disclosures required under Rule 205A. have been submitted for all wells at the Pad, and shall include documentation of implementation of an internal procedure to ensure timely compliance with Rule 205A.

By the due date, Operator shall submit such Answer by email to the following:

- dnr_cogccenforcement@state.co.us
- sabrina.trask@state.co.us
- diana.burn@state.co.us

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.b., Operator is required to submit a Final Drilling Completion Report ("Form 5") within 60 days of rig release after drilling, sidetracking, or deepening a well to total depth (or within 60 days of such rig release after the last well drilled in continuous, sequential drilling of multiple wells on a pad). The Final Form 5 shall include the information indicated in Rule 308A.b.(2).

On June 6, 2019, COGCC Staff conducted an audit ("Audit") of Operator's records for the well(s) ("Well") at the subject location ("Pad"), and determined that Operator triggered the 60 day reporting window by releasing the rig, and that Operator

- A) Submitted a Form 5 for the Well, but required information was missing or inaccurate such that it could not be processed; and/or
- B) Did not submit a Form 5 for the Well by the end of the 60 day reporting window.

Operator failed to submit a Final Form 5 containing all required information within 60 days after drilling the Well, violating Rule 308A.b.

Abatement or Corrective Action Required to be Performed by Operator:

Corrective Action Due Date: 10/11/2019

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

In its Rule 522.d.(2) Answer, due within 28 days of the Operator's receipt of the NOAV, Operator shall demonstrate to COGCC that all Form 5s for all wells at the Pad have been submitted and that each Form 5 either is already approved, or is complete and accurate and is ready for final COGCC review.

Operator shall also include documentation of implementation of an internal procedure for timely compliance with Rule 308A.

By the due date, Operator shall submit such Answer by email to the following:

- dnr_cogccenforcement@state.co.us
- sabrina.trask@state.co.us
- diana.burn@state.co.us

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: 09/12/2019

COGCC Representative Signature: 

COGCC Representative: Kira Gillette

Title: NOAV Specialist

Email: kira.gillette@state.co.us

Phone Num: (303) EMAIL

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>
402174832	NOAV COVER LETTER
402174834	NOAV CERTIFIED MAIL RECEIPT

Total Attach: 2 Files