

State of Colorado  
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203  
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Date Issued:  
09/08/2020

**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: 10711  
Name of Operator: PAINTED PEGASUS PETROLEUM LLC  
Address: 16820 BARKER SPRINGS RD #521  
City: HOUSTON State: TX Zip: 77084  
Contact Name and Telephone:  
Name: KEITH HUBBARD  
Phone: (832) 549-5521 Fax: ( )  
Email: khubbard@p3petro.com

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

API Number: 05- - -00 Facility or Location ID: 201816  
Name: STATE Number: 3-30  
QtrQtr: NESW Sec: 30 Twp: 2S Range: 62W Meridian: 6  
County: ADAMS

**ALLEGED VIOLATION**

Rule: 309  
Rule Description: Operator's Monthly Report of Operations  
Initial Discovery Date: 06/10/2020 Was this violation self-reported by the operator? No  
Date of Violation: 03/15/2020 Approximate Time of Violation: \_\_\_\_\_  
Was this a discrete violation of obvious duration? Unknown

**Description of Alleged Violation:**

Pursuant to Rule 309, 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 each 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.

COGCC Staff conducted an audit of COGCC records for January 2020 and found the Form 7 reporting for the State 3-30 well is missing or incorrect, violating Rule 309.

Abatement or Corrective Action Required to be Performed by Operator: \_\_\_\_\_ Corrective Action Due Date: 10/08/2020

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

By the Corrective Action Due Date, Operator shall audit its Form 7 reporting and the COGCC records for the State 3-30 well and shall submit complete and accurate Form 7 reports for those wells.

In its Rule 522.d.(2) Answer, due within 28 days of the Operator's receipt of the NOAV, Operator shall report to the Commission the well for which the Form 7 has been submitted (but not approved) or not submitted. Operator's Answer shall also include a discussion of the procedural changes that Operator is implementing to ensure that complete and accurate Form 7s for all of Opeartor's wells are

timely filed in the future.

Operator shall submit its NOAV Answer by email to the following (a hardcopy is not necessary):

dnr\_cogccenforcement@state.co.us  
teri.ikenouye@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: 09/08/2020

COGCC Representative Signature: 

COGCC Representative: Trent Lindley

Title: NOAV Specialist

Email: trent.lindley@state.co.us

Phone Num: (303) 894-2100x5143

### 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>          |
|------------------------|-----------------------------|
| 402483519              | NOAV CERTIFIED MAIL RECEIPT |

Total Attach: 1 Files