

State of Colorado
Oil and Gas Conservation Commission

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Document Number:
402523851

Date Issued:
11/02/2020

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

Well Location, or Facility Information (if applicable):

API Number: 05-001-06717-00 Facility or Location ID: _____
Name: MORAN Number: 1
QtrQtr: SWNE Sec: 30 Twp: 2S Range: 64W Meridian: 6
County: ADAMS

ALLEGED VIOLATION

Rule: 210.b
Rule Description: Signs & Markers- Wells & Batteries

Initial Discovery Date: 10/09/2020 Was this violation self-reported by the operator? No
Date of Violation: 10/09/2020 Approximate Time of Violation: _____
Was this a discrete violation of obvious duration? Unknown

Description of Alleged Violation:

Pursuant to Rule 210.b., within 60 days after the completion of a well or the installation of a battery, Painted Pegasus Petroleum, LLC ("Operator") shall install permanent signage at the wellhead and/or battery. This signage shall provide, among other required information, the name of Operator, a phone number at which Operator can be reached at all times, and a phone number for local emergency services (911 where available).

COGCC staff conducted an inspection (document # 699501742) on October 9, 2020, based on a complaint (document # 200449206) received on October 7, 2020 by the land owner. The land owner complained of natural gas odors and pipes hissing. During the inspection staff observed the casing valve venting gas to the atmosphere and called the emergency number at the wellsite and was unable to leave a message due to a full voicemail inbox.

Operator failed to install a sign with a phone number at which Operator can be reached at all times, violating Rule 210.b.

Abatement or Corrective Action Required to be Performed by Operator: _____ Corrective Action Due Date: 11/02/2020

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

During an inspection (document # 699501794) on October 21, 2020, COGCC staff observed the violation of Rule 210.b. at the wellhead had been corrected.

Rule: 605.d

Rule Description: O&G Facilities - Mechanical Conditions

Initial Discovery Date: 10/09/2020

Was this violation self-reported by the operator? No

Date of Violation: 10/09/2020

Approximate Time of Violation:

Was this a discrete violation of obvious duration? Unknown

Description of Alleged Violation:

Pursuant to Rule 605.d., Painted Pegasus Petroleum, LLC ("Operator") shall keep all valves, pipes, and fittings securely fastened; inspected at regular intervals; and maintained in good mechanical condition.

COGCC staff conducted an inspection (document # 699501742) on October 9, 2020, based on a complaint (document # 200449206) received on October 7, 2020 by the land owner. The land owner complained of natural gas odors and pipes hissing. During the inspection staff observed the casing valve venting gas to the atmosphere and called the emergency number at the wellsite and was unable to leave a message due to a full voicemail inbox.

Operator failed to keep all valves, pipes, and fittings securely fastened and ensure good mechanical condition of equipment, violating Rule 605.d.

Abatement or Corrective Action Required to be Performed by Operator:

Corrective Action Due Date: 11/02/2020

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

Operator shall maintain all equipment and inspect at regular intervals to ensure mechanical condition of valves, pipes, and fittings.

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. An answer will, at a minimum, discuss the allegations contained in the NOAV, responding to each; identify corrective actions taken in response to the NOAV, if any; and identify facts known to the operator at the time that are relevant to the operator's response to the alleged violations. 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: 11/02/2020

COGCC Representative Signature: Trent Lindley

COGCC Representative: Trent Lindley

Title: NOAV Specialist

Email: trent.lindley@state.co.us

Phone Num: (303) 894-2100x

ATTACHMENT LIST

View Attachments in Imaged Documents on COGCC website (http://ogccweblink.state.co.us/) - Search by Document Number.

Document Number Description

Table with 2 columns: Document Number, Description. No data rows are present.

Total Attach: 0 Files