

State of Colorado
Oil and Gas Conservation Commission

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Date Issued:
02/02/2021
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: 10705
Name of Operator: EVERGREEN NATURAL RESOURCES LLC
Address: 1875 LAWRENCE ST STE 1150
City: DENVER State: CO Zip: 80202
Contact Name and Telephone:
Name: CHRIS SANCHEZ
Phone: (719) 846-7898 Fax: ()
Email: chris.sanchez@enrllc.com

Well Location, or Facility Information (if applicable):

API Number: 05- - -00 Facility or Location ID: 262230
Name: MAVERICK Number: 12-29
QtrQtr: SWNW Sec: 29 Twp: 33S Range: 66W Meridian: 6
County: LAS ANIMAS

ALLEGED VIOLATION

Rule: 1002.f
Rule Description: Stormwater Management
Initial Discovery Date: 10/05/2019 Was this violation self-reported by the operator? No
Date of Violation: 03/18/2009 Approximate Time of Violation: _____
Was this a discrete violation of obvious duration? No

Description of Alleged Violation:

Pursuant to Rule 1002.f.(2). Evergreen Natural Resources LLC ("Operator") shall implement and maintain Best Management Practices ("BMPs") at the Maverick 12-29 location (ID No. 386769, "Location") to control stormwater runoff in a manner that minimizes erosion, transport of sediment offsite, and site degradation. Operator shall employ BMPs, as necessary to comply with this rule, at all oil and gas locations, including, but not limited to, well pads, soil stock piles, access roads, tank batteries, compressor stations, and pipeline rights of way. BMPs shall be selected based on site-specific conditions, such as slope, vegetation cover, and proximity to water bodies, and may include maintaining in-place some or all of the BMPs installed during the construction phase of the facility. Where applicable based on site specific conditions, Operator shall implement BMPs in accordance with good engineering practices.

On October 5, 2019, COGCC Staff inspected (Field Inspection Report No. 689901433, including attached photographs) the Maverick 12-29 location (ID No. 386769, "Location"), and observed BMPs to control stormwater runoff in a manner that minimizes erosion, transport of sediment, and site degradation were missing on the Location and access road.

On October 3, 2020, COGCC Staff conducted a followup inspection (Field Inspection Report No. 690200788, including attached photographs) and observed the Location and access road remain out of compliance with Rule 1002.f and corrective actions.

Operator failed to control stormwater runoff in a manner that minimizes erosion, transport of sediment offsite, and site degradation, violating Rule 1002.f.

Abatement or Corrective Action Required to be Performed by Operator:

Corrective Action Due Date: 03/04/2021

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; and, upon receipt of this NOAV, Operator shall immediately implement temporary erosion control BMPs at the Location and access road pursuant to Rule 1002.f.

Upon completion of final reclamation activities pursuant to Rule Rule 1004.a, Operator shall implement BMPs to stabilize the seeded soils; Operator shall maintain BMPs in proper functioning condition until Location receives a passing final reclamation inspection.

Rule: 1004.a

Rule Description: Final Reclamation - Well Sites Reclamation

Initial Discovery Date: 10/05/2019

Was this violation self-reported by the operator? No

Date of Violation: 03/18/2009

Approximate Time of Violation:

Was this a discrete violation of obvious duration? No

Description of Alleged Violation:

Pursuant to Rule 1004.a, Evergreen Natural Resources LLC ("Operator") shall, upon the plugging and abandonment of a well,... All access roads to plugged and abandoned wells and associated production facilities shall be closed, graded and recontoured. Culverts and any other obstructions that were part of the access road(s) shall be removed. Well locations, access roads and associated facilities shall be reclaimed. As applicable, compaction alleviation, restoration, and revegetation of well sites, associated production facilities, and access roads shall be performed to the same standards as established for interim reclamation under Rule 1003. All such reclamation work shall be completed within twelve (12) months on non-crop land after plugging a well or final closure of associated production facilities.

On October 5, 2019, COGCC Staff inspected (Field Inspection Report No.689901433, including attached photographs) the Maverick 12-29 location (ID No. 386769, "Location"), and observed reclamation of the Location and access road were not conducted in accordance with Rule 1004.a; wells plugged March 18, 2008, final reclamation activities required to be completed by March 18, 2009. COGCC Staff required Operator to perform the following corrective actions: comply with COGCC 1004 Rules .

On October 3, 2020, COGCC Staff conducted a followup inspection and observed that the Location and access road remain out of compliance with Rule 1004.a and corrective actions (Field Inspection Report No. 690200788, including attached photographs).

Operator failed to complete Final Reclamation on the Location and access road within twelve (12) months after plugging the well, violating Rule 1004.a.

Abatement or Corrective Action Required to be Performed by Operator:

Corrective Action Due Date: 04/15/2021

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

Conduct final reclamation activities in accordance with Rule 1004.a on the Location and access road. Operator shall submit a Form 42 Notice to the Reclamation Specialist 48 hours prior to recontouring activities being performed.

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: <u>02/02/2021</u>	
COGCC Representative Signature: _____	
COGCC Representative: <u>Aaron Trujillo</u>	Title: <u>Area (148) Reclamation In</u>
Email: <u>aaron.trujillo@state.co.us</u>	Phone Num: <u>(970) 867-0808x</u>

CORRECTIVE ACTION COMPLETED

Rule: <u>1002.f</u>	
Rule Description: <u>Stormwater Management</u>	
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	
<input type="text"/>	

Rule: <u>1004.a</u>	
Rule Description: <u>Final Reclamation - Well Sites Reclamation</u>	
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	
<input type="text"/>	

FINAL RESOLUTION

Cause #: _____	Order #: _____	Docket #: _____
Enforcement Action: _____	Final Resolution Date: _____	
Final Resolution Comments:		
<input type="text"/>		

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>
402589614	NOAV ISSUED
402589616	NOAV CERTIFIED MAIL RECEIPT

Total Attach: 2 Files