

State of Colorado  
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203  
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Document Number:  
402603404  
Date Issued:  
02/18/2021  
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: 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: 05-001-08281-00 Facility or Location ID: \_\_\_\_\_  
Name: CRYSTAL-HUBBS Number: 1  
QtrQtr: SWNE Sec: 22 Twp: 1S Range: 63W Meridian: 6  
County: ADAMS

**ALLEGED VIOLATION**

Rule: 326.b  
Rule Description: Shut-in Wells  
Initial Discovery Date: 12/22/2020 Was this violation self-reported by the operator? No  
Date of Violation: 10/01/2019 Approximate Time of Violation: \_\_\_\_\_  
Was this a discrete violation of obvious duration? Unknown

**Description of Alleged Violation:**

Pursuant to Rule 326.b., Painted Pegasus Petroleum LLC ("Operator") is required to conduct an Mechanical Integrity Test ("MIT") on shut-in ("SI") wells within two years of the initial shut-in date and then at five year intervals after an initial successful MIT.

According to COGCC Records reviewed, reviewed on December 22, 2020, Operator brought the well back into production, reporting as PR from January 2020 through May 2020, after reporting the well as SI from October 2017 through December 2019, without conducting an MIT, violating Rule 326.b.

Abatement or Corrective Action Required to be Performed by Operator: \_\_\_\_\_ Corrective Action Due Date: 03/20/2021

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

Operator shall conduct an MIT on the Well or plug and abandon the Well.

## 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](mailto:dnr_cogccenforcement@state.co.us).

## NOAV ISSUED

NOAV Issue Date:	<u>02/18/2021</u>		
COGCC Representative Signature:	_____		
COGCC Representative:	<u>Trent Lindley</u>	Title:	<u>NOAV Specialist</u>
Email:	<u>trent.lindley@state.co.us</u>	Phone Num:	<u>(303) 894-2100x5143</u>

## CORRECTIVE ACTION COMPLETED

Rule:	<u>326.b</u>		
Rule Description:	<u>Shut-in Wells</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	_____ _____		

## 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>
402603477	NOAV ISSUED
402603478	NOAV CERTIFIED MAIL RECEIPT

Total Attach: 2 Files