

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203
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Date Issued:

02/18/2021

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: 05-001-06094-00

Facility or Location ID:

Name: UPRR-SANDEN-EHN

Number: 1-17

QtrQtr: SWSW Sec: 17

Twp: 1S

Range: 60W

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: 07/01/2007

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 on December 22, 2020, Operator has reported the well as SI since July 2005, 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.

NOAV ISSUED

NOAV Issue Date: 02/18/2021

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>
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Total Attach: 0 Files