

State of Colorado  
Oil and Gas Conservation Commission

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Date Issued:  
08/27/2019  
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: 10633	Contact Name and Telephone:
Name of Operator: CRESTONE PEAK RESOURCES OPERATING LLC	Name: DAVID STEWART
Address: 1801 CALIFORNIA STREET #2500	Phone: (303) 774-3909 Fax: ( )
City: DENVER State: CO Zip: 80202	Email: david.stewart@crestonepr.com

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

API Number: 05-123-18951-00	Facility or Location ID:
Name: MELBON RANCH	Number: 17-14
QtrQtr: SESW Sec: 17	Twp: 2N Range: 65W Meridian: 6
County: WELD	

### ALLEGED VIOLATION

Rule: 34-60-121(1) CRS-b	
Rule Description: Statutory Violation - Permit Violation	
Initial Discovery Date:	Was this violation self-reported by the operator? No
Date of Violation:	Approximate Time of Violation:
	Was this a discrete violation of obvious duration? No
Description of Alleged Violation:	
<p>COGCC granted approval for Operator to plug the subject Well according to technical details specified in Operator's Notice of Intent to Abandon ("Form 6-N"), and subject to COGCC Conditions of Approval ("COA") in the Form 6-N.</p> <p>In its Subsequent Report of Abandonment ("Form 6-S") and/or related correspondence, Operator reported it failed to comply with certain technical details, such as depths of mechanical plugs and/or casing cuts, that were required in the approved Form 6-N and/or required in written amendments approved by COGCC Staff.</p> <p>Form 6-N No. 401780548 Requirement: shoe plug to top at 700 feet</p> <p>Form 6-S No. 401844347 Violation: Plug top at 775 feet; does not adequately cover Fox Hills base</p> <p>Operator failed to meet the depth or height requirements specified for mechanical plugs and/or casing cuts, violating the Form 6-N permit and Form 6-N COA, and § 34-60-121.(1)(a), C.R.S.</p>	
Abatement or Corrective Action Required to be Performed by Operator:	Corrective Action Due Date: 09/26/2019

**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, Operator shall include a compliance plan detailing an internal procedure to ensure future compliance with all terms of approved Form 6-Ns, including compliance with any approved amendments to the procedures or details in the Form 6-N.

**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: 08/27/2019

COGCC Representative Signature: \_\_\_\_\_

COGCC Representative: Kira Gillette

Title: NOAV Specialist

Email: kira.gillette@state.co.us

Phone Num: (303) EMAIL

**CORRECTIVE ACTION COMPLETED**

Rule: 34-60-121(1)  
CRS-b

Rule Description: Statutory Violation - Permit Violation

Corrective Action Start Date: \_\_\_\_\_

Corrective Action Complete Date: \_\_\_\_\_

Has corrective action for this violation been performed as required? Yes

Description of Actual Corrective Action Performed by Operator

NOAV closed pursuant to Order 1v-743.

**FINAL RESOLUTION**

Cause #: 1v Order #: 743 Docket #: 200800214

Enforcement Action: Administrative Order of Consent

Final Resolution Date: 11/25/2020

Final Resolution Comments:

NOAV closed pursuant to Order 1v-743.

**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>
402156653	NOAV COVER LETTER
402156654	NOAV CERTIFIED MAIL RECEIPT
402156733	NOAV ISSUED
402156756	NOAV IN PROCESS

Total Attach: 4 Files