

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:
402234481
Date Issued:
11/08/2019
Date Resolved:
04/23/2021

NOTICE OF ALLEGED VIOLATION - RESOLVED

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: 10556	Contact Name and Telephone:
Name of Operator: PLUG NICKEL OIL COMPANY INC	Name: DANNY B MORTENSEN
Address: 2552 NORTH 500 EAST	Phone: (435) 789-8479 Fax: ()
City: VERNAL State: UT Zip: 84078	Email: hogue@stratanet.com

Well Location, or Facility Information (if applicable):

API Number: 05-103-06444-00	Facility or Location ID:
Name: USA PAN AM	Number: 16-4
QtrQtr: SESW Sec: 16	Twp: 2N Range: 103W Meridian: 6
County: RIO BLANCO	

ALLEGED VIOLATION

Rule: 912.b	
Rule Description: Venting or Flaring Natural Gas - Notice and Prior Approval Required	
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>Pursuant to Rule 912.b., except for gas flared or vented during an upset condition, well maintenance, well stimulation flowback, purging operations, or a productivity test, Operator shall flare or vent gas from a well only after Operator has given notice to and obtained approval from COGCC on a Sundry Notice ("Form 4") stating the estimated volume and content of the gas.</p> <p>On September 20, 2019, COGCC Staff inspected the Well, and observed venting of natural gas from the Wellhead casing through a partially open valve. A 3 cubic foot bag filled with gas in 8 minutes. The pump jack was pumping at the time of measurement. COGCC Staff also observed that none of the Rule 912.b. exception conditions were occurring at the time of the venting. (Field Inspection Report No. 679705521).</p> <p>As of September 20, 2019, Operator had not submitted a Form 4 request to vent from the Well, and had not obtained COGCC approval for venting gas from the Well.</p> <p>Without approval from COGCC, Operator vented gas from the Well during non-upset conditions, violating Rule 912.b.</p>	
Abatement or Corrective Action Required to be Performed by Operator:	Corrective Action Due Date: 12/09/2019
Proper and timely abatement does not preclude the assessment of penalties and an Order Finding Violation.	

Operator shall immediately cease venting and flaring at the Well location, and shall ensure it has obtained written COGCC approval via Form 4 prior to resuming venting or flaring.

In its Rule 522.d.(2) Answer, due within 28 days of the Operator's receipt of the NOAV, Operator shall include documentation of implementation of an internal procedure to ensure COGCC approval is obtained prior to any venting or flaring at its locations, as required by Rule 912.b.

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: 11/08/2019

COGCC Representative Signature: _____

COGCC Representative: Kira Gillette

Title: NOAV Specialist

Email: kira.gillette@state.co.us

Phone Num: () _____

CORRECTIVE ACTION COMPLETED

Rule: 912.b

Rule Description: Venting or Flaring Natural Gas - Notice and Prior Approval Required

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-750.

FINAL RESOLUTION

Cause #: 1v Order #: 750 Docket #: 200800227

Enforcement Action: Administrative Order of Consent

Final Resolution Date: 02/02/2021

Final Resolution Comments:

NOAV closed pursuant to Order 1v-750.

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>
402234481	NOAV APPROVED
402234749	NOAV COVER LETTER
402234750	NOAV CERTIFIED MAIL RECEIPT
402234752	NOAV ISSUED
402234796	NOAV IN PROCESS

Total Attach: 5 Files