

State of Colorado
Oil and Gas Conservation Commission

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Document Number:
402887875
Date Issued:
12/06/2021
Date Resolved:

NOTICE OF ALLEGED VIOLATION - ISSUED

Per Rule 523, 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 525, 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: 10754
Name of Operator: FOUR CORNERS ENERGY LLC
Address: 500 DALLAS STREET #1650
City: HOUSTON State: TX Zip: 77002
Contact Name and Telephone:
Name: SCOTT NOWAK
Phone: (713) 600-6221 Fax: ()
Email: scottn@paradoxresources.com

Well Location, or Facility Information (if applicable):

API Number: 05- - -00 Facility or Location ID: _____
Name: _____ Number: _____
QtrQtr: _____ Sec: _____ Twp: _____ Range: _____ Meridian: _____
County: _____

ALLEGED VIOLATION

Rule: 34-60-121(1) CRS-b
Rule Description: Statutory Violation - Permit Violation
Initial Discovery Date: 12/01/2021 Was this violation self-reported by the operator? No
Date of Violation: 12/31/2020 Approximate Time of Violation: _____
Was this a discrete violation of obvious duration? Unknown

Description of Alleged Violation:

Pursuant to COGCC Conditions of Approval ("COA") in Four Corners Energy, LLC ("Operator")'s Form 10, Idle Well Management Plan, paragraph 1. A. iii., "Operator will perform, in 2020, Bradenhead tests on 9 wells located in Colorado during the 2nd quarter of the year and bring the additional 2 Colorado wells into regulatory compliance by either returning them to production, performing a pressure test or plugging the wells during the 2nd or 3rd quarter of the year."; and paragraph 2. "Operator will, during the 2nd and 3rd quarter of each subsequent year, conduct such operations as may be necessary to bring the identified number of 11 Shut-In ("SI")/Temporarily Abandoned ("TA") wells into regulatory compliance and will commence such activity as may be required to obtain final abandonment approval for the identified previously plugged locations."

As of December 1, 2021, Operator has not performed Bradenhead tests on the 9 wells located in Colorado; Operator has not brought the additional 2 Colorado wells into regulatory compliance; Operator has not conducted operations to bring the 11 SI/TA wells into regulatory compliance; and Operator has not obtained final abandonment approval for the identified previously plugged locations, violating Operator's Form 10, COA and §34-60-121(1)(a) C.R.S.

Abatement or Corrective Action Required to be Performed by Operator: _____ Corrective Action Due Date: 01/05/2022

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

Operator will comply with the Form 10's COA, Idle Well Management Plan and conduct Bradenhead tests on the 9 wells in Colorado;

bring the additional 2 Colorado wells into regulatory compliance; bring the SI/TA wells into regulatory compliance; and obtain final abandonment approval for the identified previously plugged locations.

Operator will comply with corrective actions that are past due and corrective actions with future dates, identified in recent inspections from November 19, 2020 (document no. 493802540) and October 15, 2021 (document nos. 700300287 & 700300286).

PENALTY

Penalties for violations alleged in this NOAV will be calculated pursuant to Rule 525, with daily penalties accruing pursuant to Section 34-60-121(1), C.R.S.

ANSWER

Pursuant to Rule 523.c.(2), the operator must file an Answer to this NOAV within 28 days of its receipt, or a default judgment may be entered. Answers are filed by email to dnr_cogccenforcement@state.co.us.

NOAV ISSUED

NOAV Issue Date: 12/06/2021

COGCC Representative Signature: _____

COGCC Representative: Trent Lindley

Title: NOAV Specialist

Email: trent.lindley@state.co.us

Phone Num: (303) 894-2100 x5143

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? _____

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>
402887907	NOAV ISSUED
402887911	NOAV CERTIFIED MAIL RECEIPT

Total Attach: 2 Files