



COLORADO
Oil & Gas Conservation
Commission

Department of Natural Resources

1120 Lincoln Street, Suite 801
Denver, CO 80203

www.colorado.gov/cogcc

WARNING LETTER # 402931442

09/13/2022

WEST TEXAS OPERATING CO LLC DBA XTREME ENERGYCO

(# 10560)

MIKE HAHN

mhahn@xeogc.com

PO BOX 2326

VICTORIA, TX 77902

GAS FARM 1-17 (API# 009-06590)

SWNE, 17, 33S, 43W, BACA

This Warning Letter is to inform you that WEST TEXAS OPERATING CO LLC DBA XTREME ENERGYCO (“Operator”) may be in violation of the rules and regulations of the Colorado Oil and Gas Conservation Commission (“COGCC”) and corrective action is required.

COGCC has reasonable cause to believe that Operator has committed one or more violations of the Oil and Gas Conservation Act, or of a rule, regulation, or order of the Commission, or of a permit issued by the Commission. Operator is required to comply with this Warning Letter by the **Corrective Action Deadline Date(s)** to resolve the alleged violation(s). Failure to do so will result in the issuance of a Notice of Alleged Violation and initiation of enforcement proceedings in which COGCC will seek monetary penalties for the alleged violations pursuant to § 34-60-121, C.R.S. and Rule 525, COGCC Rules of Practice and Procedure, 2 CCR 404-1.

Alleged Violation(s) and Required Corrective Action(s):

417 Mechanical Integrity Testing

Violation Date: 09/13/2022

Violation Discovery Date: 09/13/2022

Description of Alleged Violation: Operator is receiving this letter because, based on COGCC records, COGCC has reason to believe the Well(s) indicated above and/or in the attached table presents one or more compliance issues. Operator should review its records to verify if this is a shut-in (“SI”) or temporarily abandoned (“TA”) well past due for a Mechanical Integrity Test (“MIT”).

Pursuant to Rule 417.b., Operator is required to conduct an MIT on SI wells within two years of the initial shut-in date and then at five (5) year intervals after an initial successful MIT. COGCC Rules DO NOT permit placing a well back on production to fulfill, or in lieu of, the requirements to conduct an MIT. If the above referenced Well has been SI for over two years and Operator has not conducted an initial MIT or is SI and has not had an MIT for over five years after the initial MIT, then Operator is in violation of Rule 417.b.

Required Corrective Action: Rule 405.p., requires notice to the Director on a Form 42, Field Operations Notice at least ten (10) days prior to returning a well to service. Operator shall submit a Form 42, Field Operations Notice retroactively.



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Operator shall submit documentation justifying Mechanical Integrity of the well.
Operator shall include documentation of implementation of an internal procedure for timely compliance with Rule 417 going forward.
Operator shall provide processes as to how Operator intends to be compliant in the future.
Corrective Action Deadline Date: 11/30/2022

How to Comply with Warning Letter:

Operator shall complete the Required Corrective Action(s) above within the deadline(s) provided. Upon completion of the Corrective Action(s), Operator shall provide notice and evidence of completion to the COGCC staff identified below by the Corrective Action Deadline Date(s):

COGCC Representative: Abrams, Deborah

Title: Engineering Tech

Phone Num: (303) 894-2100x5158

Email: deborah.abrams@state.co.us

If you have any questions about this Warning Letter, please contact the COGCC Representative identified above.

Failure to Comply with Warning Letter:

If Operator fails to perform Required Corrective Action(s) on or before the Corrective Action Deadline Date(s) stated above COGCC will issue a Notice of Alleged Violation and seek penalties pursuant to § 34-60-121, C.R.S. and Rule 525, COGCC Rules of Practice and Procedure, 2 CCR 404-1.

Disclaimers:

If the alleged violation(s) in this Warning Letter are the subject of previously issued Notice(s) of Alleged Violation ("NOAV") or Enforcement Order(s) ("Order"), Operator's obligations and the corrective actions and deadlines in such NOAV or Order stand and are not affected by this Warning Letter.

If issued in error, the Enforcement Unit reserves the right to rescind this Warning Letter prior to the COGCC Representative's receipt of Operator's notice and evidence of completion of the Corrective Action.

All well data, rules and forms are available on our website at www.colorado.gov/cogcc.

Sincerely,

Abrams, Deborah
Engineering Tech

Attachments

View Attachments in Imaged Documents on COGCC website <http://ogccweblink.state.co.us/> Search by Document Number.

Document Number **Description**

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Total Attach: 0 Files