



1120 Lincoln Street, Suite 801
Denver, CO 80203
www.colorado.gov/cogcc

WARNING LETTER # 403171820

09/20/2022

CAERUS PICEANCE LLC (# 10456)
HOLLY HILL
hhill@caerusoilandgas.com

1001 17TH STREET #1600
DENVER, CO 80202

PICEANCE CREEK UNIT T55X-7G (API# 103-10097)
NWSE, 7, 2S, 96W, RIO BLANCO

This Warning Letter is to inform you that CAERUS PICEANCE LLC (“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):

418 Form 21, Mechanical Integrity Test

Violation Date: 09/20/2022

Violation Discovery Date: 09/20/2022

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 any Forms or Notices related to mechanical integrity test (“MIT”) are outstanding for this Well.

Pursuant to Rules 418, Operator is required to submit the results of all mechanical integrity tests, including tests that show a lack of integrity, on Form 21, Mechanical Integrity Test, within 30 days after the test.

If Operator performed a mechanical integrity test and failed to submit Form 21, MIT but has not submitted the results, Operator violated Rule 418.

Required Corrective Action: Operator shall submit any delinquent forms, notices, or reports. Operator shall send an email to the COGCC Representative indicated below, detailing an internal procedure for timely compliance with Rule 418. Operator shall reference this Warning Letter document number in the subject of the email.



COLORADO

**Oil & Gas Conservation
Commission**

Department of Natural Resources

1120 Lincoln Street, Suite 801
Denver, CO 80203

www.colorado.gov/cogcc

Corrective Action Deadline Date: 09/30/2022

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**

<u>Document Number</u>	<u>Description</u>

Total Attach: 0 Files