

State of Colorado
Oil and Gas Conservation Commission

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403257772
Date Issued:
12/12/2022
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: 10724

Name of Operator: NORTH SHORE EXPLORATION AND PRODUCTION LLC

Address: 105 EDGEVIEW DR SUITE 400

City: BROOMFIELD State: CO Zip: 80021

Contact Name and Telephone:

Name: MARINA AYALA

Phone: (303) 892-5616 Fax: ()

Email: marina@northshoreenergyllc.com

Well Location, or Facility Information (if applicable):

API Number: 05-081-06962-00

Facility or Location ID:

Name: FEDERAL

Number: 41-32

QtrQtr: NENE

Sec: 32

Twp: 11N

Range: 93W

Meridian: 6

County: MOFFAT

ALLEGED VIOLATION

Rule: 206

Rule Description: Reports

Initial Discovery Date: 09/28/2022

Was this violation self-reported by the operator? No

Date of Violation: 01/11/2021

Approximate Time of Violation:

Was this a discrete violation of obvious duration? Unknown

Description of Alleged Violation:

Pursuant to Rule 206, now Rule 207, North Shore Exploration and Production, LLC ("Operator") shall file accurate and complete reports.

COGCC staff conducted an inspection of the Federal #41-32 well on January 11, 2021 (document no. 689805210), and observed the well was producing.

COGCC staff conducted an audit of COGCC records for the Federal #41-32 well on September 28, 2022, and discovered Operator reported the well as shut-in ("SI"), which contradicts what staff observed during the January 11, 2021 inspection.

Operator failed to file accurate and complete reports, violating Rule 206, now Rule 207.

Abatement or Corrective Action Required to be Performed by Operator:

Corrective Action Due Date: 01/11/2023

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

Operator shall submit any delinquent forms, notices, or reports; and correct any incomplete or inaccurate reports.

Rule: 326.b

Rule Description: Shut-in Wells

Initial Discovery Date: 09/28/2022

Was this violation self-reported by the operator? No

Date of Violation: 01/31/2021

Approximate Time of Violation:

Was this a discrete violation of obvious duration? Unknown

Description of Alleged Violation:

Pursuant to Rule 326.b., now Rule 417.b., North Shore Exploration and Production, LLC ("Operator") is required to conduct a Mechanical Integrity Test ("MIT") on shut-in ("SI") wells within two years of the initial shut-in date and then at five (5) year intervals after an initial successful MIT.

COGCC staff conducted an audit of COGCC records for the Federal #41-32 well on September 28, 2022, and discovered the well has been shut-in ("SI") since January 2020 without an MIT being conducted. As of December 8, 2022, no MIT has been conducted on the well nor has the well been plugged and abandoned.

Operator failed to conduct and MIT on the Federal #41-32 well within two years of the initial SI date, violating Rule 326.b., now Rule 417.b.

Abatement or Corrective Action Required to be Performed by Operator:

Corrective Action Due Date: 01/11/2023

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

If Staff's observations regarding this well are accurate and the well has been produced since January 2020, compliance with the prior Corrective Action will eliminate the need to comply with this Corrective Action. Alternatively, if the well has not produced since January 2020, Operator shall conduct an MIT on the well or plug and abandon the well.

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: 12/12/2022

COGCC Representative Signature:

COGCC Representative: Trent Lindley

Title: NOAV Specialist

Email: trent.lindley@state.co.us

Phone Num: (303) 894-2100x5143

CORRECTIVE ACTION COMPLETED

Rule: 206

Rule Description: Reports

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

Rule: 326.b

Rule Description: Shut-in Wells

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>
403257799	NOAV CERTIFIED MAIL RECEIPT
403257822	NOAV ISSUED

Total Attach: 2 Files