

State of Colorado
Energy & Carbon Management Commission

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Document Number:
402958947
Date Issued:
02/17/2022
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

ECMC Operator Number: <u>17180</u>	Contact Name and Telephone:
Name of Operator: <u>CITATION OIL & GAS CORP</u>	Name: <u>SHARON WARD</u>
Address: <u>14077 CUTTEN RD</u>	Phone: <u>(281) 891-1556</u> Fax: <u>()</u>
City: <u>HOUSTON</u> State: <u>TX</u> Zip: <u>77069</u>	Email: <u>sward@cogc.com</u>

Well Location, or Facility Information (if applicable):

API Number: 05-075-09326-00 Facility or Location ID: _____
Name: DUBOIS Number: 5
QtrQtr: NENW Sec: 7 Twp: 9N Range: 52W Meridian: 6
County: LOGAN

ALLEGED VIOLATION

Rule: 326.b
Rule Description: Shut-in Wells
Initial Discovery Date: 03/10/2021 Was this violation self-reported by the operator? No
Date of Violation: 02/28/2021 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., Citation Oil & Gas Corp. ("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.

In March 2021, COGCC staff conducted an audit of COGCC records for the Dubois 5 well, and found that Operator's well has been reported as SI since February 2019.

COGCC staff issued a Warning Letter on March 10, 2021 (document no. 402625185) for the Dubois 5 well, requiring Operator to conduct a successful MIT on the well or plug and abandon the well. Operator failed to respond. As of February 16, 2022, no MIT has been conducted on the well nor has the well been plugged and abandoned.

Operator failed to conduct an MIT on the Dubois 5 well that was SI for more than two years, violating Rule 326.b., now Rule 417.b.

Abatement or Corrective Action Required to be Performed by Operator: _____ Corrective Action Due Date: 03/19/2022

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

Operator will conduct a successful MIT on the UPRC-Simpson 12-19 #1 well and submit results on a Form 21, within 30 days after

the test. In its Rule 523.c.(2) Answer, due within 28 days of the Operator's receipt of the NOAV, Operator shall include documentation of implementation of an internal procedure for timely compliance with Rule 417.b. going forward.

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_ecmc_enforcement@state.co.us.

NOAV ISSUED

NOAV Issue Date: 02/17/2022

ECMC Representative Signature: _____

ECMC Representative: Trent Lindley

Title: NOAV Specialist

Email: trent.lindley@state.co.us

Phone Num: (303) 894-2100 x5143

CORRECTIVE ACTION COMPLETED

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? No

Description of Actual Corrective Action Performed by Operator

NOAV resolved pursuant to Order 1V-890.

FINAL RESOLUTION

Cause #: 1V Order #: 890 Docket #: 230500163

Enforcement Action: Administrative Order of Consent

Final Resolution Date: 09/15/2025

Final Resolution Comments:

NOAV resolved pursuant to Order 1V-890.

ATTACHMENT LIST

View Attachments in Imaged Documents on ECMC website (<http://ecmcweblink.state.co.us/>) - Search by Document Number.

Document Number	Description
402958961	NOAV ISSUED
402958962	NOAV CERTIFIED MAIL RECEIPT
402958963	NOAV IN PROCESS

Total Attach: 3 Files