

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:
401082382
Date Issued:
08/25/2016

NOTICE OF ALLEGED VIOLATION - ISSUED

Per Rule 522, 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 523, 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: 94300
Name of Operator: WARD & SON* ALFRED
Address: P O BOX 737
City: OGALLALLA State: NE Zip: 69153
Contact Name and Telephone:
Name: Randall L. Ward
Phone: (308) 284-8350 Fax: ()
Email: randy@wardoil.com

Well Location, or Facility Information (if applicable):

API Number: 05-121-08878-00 Facility or Location ID:
Name: BLOMENKAMP Number: 1
QtrQtr: SWNE Sec: 20 Twp: 3S Range: 56W Meridian: 6
County: WASHINGTON

ALLEGED VIOLATION

Rule: 309
Rule Description: Operator's Monthly Production Report
Initial Discovery Date: Was this violation self-reported by the operator? No
Date of Violation: Approximate Time of Violation:
Was this a discrete violation of obvious duration? No

Description of Alleged Violation:

Pursuant to Rule 309, Alfred Ward & Son Operating Company (Ward) (Operator No. 94300) is required to submit Form 7 Monthly Reports of Operations for all existing oil and gas wells that are not plugged and abandoned. Ward is required to report each formation that is completed in a well every month from the time that it is completed until one month after abandonment. Warning Letter #2193171 was issued to Operator on February 2, 2016, and required corrective action to resolve the delinquent Form 7 monthly reporting issue within 30 days of the issuance of that letter. Ward failed to submit Form 7, Monthly Reports of Operations, for the Blomenkamp #1 well (API 121-08878), from December 2015 to June 2016, violating Rule 309.

Abatement or Corrective Action Required to be Performed by Operator: Corrective Action Due Date: 03/03/2016

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

Ward shall submit Form 7 reports for API 121-08878 for December 2015 to June 2016.

Rule: 326.c.(1)
Rule Description: MIT - Temporarily Abandoned Wells - Performance Within 30 Days
Initial Discovery Date: Was this violation self-reported by the operator? No
Date of Violation: Approximate Time of Violation:
Was this a discrete violation of obvious duration? No

Description of Alleged Violation:

Pursuant to Rules 326.c.(1) and (2), Operator is required to perform a mechanical integrity test (MIT) on temporarily abandoned (TA) wells within 30 days of temporarily abandoning the well and then at five (5) year intervals after an initial successful MIT. COGCC staff

conducted inspections of Blomenkamp #1, API 121-08878, (Well) on July 14, 2015 (Document #678200223) and August 18, 2014 (Document #673705592) and observed that the wells status was TA on both occasions. Form 7, Monthly Reports of Operation, submitted by Operator have reported the Well has been shut-in (SI) since July 2012. COGCC has no record of an MIT ever being performed on the Well. Warning Letter #2193171 was issued to Operator on February 2, 2016, and required corrective action to resolve the delinquent MIT issue by April 30, 2016. To date, Operator has not conducted an MIT for the Well, violating Rules 326.c (1) and (2).

Abatement or Corrective Action Required to be Performed by Operator: _____ Corrective Action Due Date: 04/30/2016

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

Operator shall immediately schedule and complete either an MIT of the Well or plugging and abandonment of the Well. Rule 316B requires notice to the Director on a Form 42 at least ten (10) days prior to conducting an MIT and submission of MIT results on a Form 21, within thirty (30) days after the test. A pressure chart shall accompany this Form 21 report. Rule 311 requires Operator to submit a Form 6, Notice of Intent to Abandon and secure Director approval prior plugging and abandonment of a well and to submit a Form 6, Subsequent Report of Abandonment, within 30 days after plugging and abandonment of the well has been completed.

PENALTY

Penalties for violations alleged in this NOAV will be calculated pursuant to Rule 523, with daily penalties accruing pursuant to Section 34-60-121(1), C.R.S.

ANSWER

Pursuant to Rule 522.d.(2), the operator must file an Answer to this NOAV within 28 days of its receipt, or a default judgement may be entered. Hard copy answers are filed with the Commission Secretary at the Commission's Denver office and should also be emailed to dnr_cogccenforcement@state.co.us.

NOAV ISSUED

NOAV Issue Date: 08/25/2016

COGCC Representative Signature: Andrew Stone

COGCC Representative: Andrew Stone Title: Engineering Tech

Email: andrewg.stone@state.co.us Phone Num: (303) 894-2100x5188

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>
401099053	NOAV CERTIFIED MAIL RECEIPT
401099054	NOAV COVER LETTER

Total Attach: 2 Files