

State of Colorado  
Oil and Gas Conservation Commission

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Date Issued:  
11/10/2016  
Date Resolved:

**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: 10611  
Name of Operator: LONGS PEAK RESOURCES LLC  
Address: 2323 S SHEPHERD SUITE 1150  
City: HOUSTON State: TX Zip: 77019

Contact Name and Telephone:  
Name: Edward Geiser  
Phone: (713) 335-4730 Fax: ( )  
Email: egeiser@juncap.com

**Well Location, or Facility Information (if applicable):**

API Number: 05-123-39863-00 Facility or Location ID:  
Name: RAILAY Number: 28-3-1CH  
QtrQtr: NENW Sec: 28 Twp: 12N Range: 66W Meridian: 6  
County: WELD

**ALLEGED VIOLATION**

Rule: 329

Rule Description: Measurement of Gas

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 329.d., Operator was required to perform annual gas sampling and analysis of produced natural gas in order to determine its heating value. Results of the sampling and analysis must be reported on an Operator's Monthly Report of Operations, Form 7. COGCC records indicate that the BTU value of gas produced from the Railay #28-3-1CH well (API # 05-123-39863) has never been reported to the COGCC on a Form 7, violating Rule 329.d.

Abatement or Corrective Action Required to be Performed by Operator: Corrective Action Due Date: 12/09/2016

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

Perform gas sampling and analysis in order to determine the BTU value of gas produced from the Railay #28-3-1CH well (API # 05-123-39863) and report the results to the COGCC on Form 4, Sundry Notice by December 9, 2016. Operator must commence reporting BTU value of gas on all Form 7s beginning with the form covering the month in which the gas sampling and analysis is performed. Operator must continue reporting BTU value of gas on a Form 7 until the well is plugged with changes to BTU value of gas dictated by future, annual gas sampling and analysis.

Rule: 912.b

Rule Description: Venting or Flaring Natural Gas - Notice and Prior Approval Required

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 912.b., "a well shall be flared or vented only after notice has been given and approval obtained from the Director on a Sundry Notice, Form 4, stating the estimated volume and content of the gas. The notice shall indicate whether the gas contains more than one (1) ppm of hydrogen sulfide." COGCC records indicate that gas produced from the Railay #28-3-1CH well (API # 05-123-39863) is being flared without prior approval, violating Rule 912.b.

Abatement or Corrective Action Required to be Performed by Operator: \_\_\_\_\_ Corrective Action Due Date: 12/09/2016

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

Operator shall file a Form 4, containing the information required by Rule 912.b, requesting approval to flare gas produced from the Railay #28-3-1CH well (API # 05-123-39863) by December 9, 2016.

### 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](mailto:dnr_cogccenforcement@state.co.us).

### NOAV ISSUED

NOAV Issue Date: 11/10/2016

COGCC Representative Signature: \_\_\_\_\_

COGCC Representative: Diana Burn Title: East Region Engineering S

Email: diana.burn@state.co.us Phone Num: (303) 894-2100x5106

### CORRECTIVE ACTION COMPLETED

Rule: 329

Rule Description: Measurement of Gas

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: 912.b

Rule Description: Venting or Flaring Natural Gas - Notice and Prior Approval Required

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>
401147384	NOAV COVER LETTER
401147385	NOAV CERTIFIED MAIL RECEIPT
401147482	NOAV ISSUED

Total Attach: 3 Files