

State of Colorado
Oil and Gas Conservation Commission

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401149276

Date Issued:
11/16/2016

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: 10460
Name of Operator: HIGH PLAINS ENERGY LLC
Address: 4545 S MONACO STREET #116
City: DENVER State: CO Zip: 80237

Contact Name and Telephone:

Name: Randy Wheat
Phone: (720) 480-7776 Fax: ()
Email: randy@highplainsenergyllc.com

Well Location, or Facility Information (if applicable):

API Number: 05-075-09415-00 Facility or Location ID: _____
Name: Dune Ridge State Number: 32-2
QtrQtr: NENE Sec: 32 Twp: 7N Range: 52W Meridian: 6
County: LOGAN

ALLEGED VIOLATION

Rule: 308A

Rule Description: Drilling Completion Report

Initial Discovery Date: _____
Date of Violation: _____

Was this violation self-reported by the operator? No

Approximate Time of Violation: _____

Was this a discrete violation of obvious duration? No

Description of Alleged Violation:

Pursuant to Rule 308A, High Plains Energy LLC (Operator) is required to submit a Form 5, Final Drilling Completion Report, within 60 days after rig release after drilling. Operator submitted a Form 5, Final Drilling Completion Report, for the Dune Ridge State #32-2 well, API 075-09415, (Well) on April 24, 2014 (Document #400595073). Document #400595073 failed to include the Total Depth, the Plug Back Total Depth, and the casing cement summary. As noted in the COGCC comments for Document #400595073, the amount of cement reported for the production casing appears to be in error. Operator failed to submit a complete and accurate Form 5, Final Drilling Completion Report, for the Well, violating Rule 308A.

Abatement or Corrective Action Required to be Performed by Operator: Corrective Action Due Date: 12/16/2016

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

Operator shall submit a revised Form 5, Final Drilling Completion Report, that corrects the issues identified above.

Rule: 308B

Rule Description: Completed Interval Report

Initial Discovery Date: _____
Date of Violation: _____

Was this violation self-reported by the operator? No

Approximate Time of Violation: _____

Was this a discrete violation of obvious duration? No

Description of Alleged Violation:

Pursuant to Rule 308B., High Plains Energy LLC (Operator) is required to submit a Form 5A, Completed Interval Report, within 30 days after a formation is completed (successful or not). Operator spud the Dune Ridge State #32-2 well, API 075-09415, (Well) on

February 25, 2014, and an April 25, 2016 COGCC inspection (Document #682500707) observed a pumpjack at this location indicating the well was completed to at least one formation. To date no Form 5A has been submitted to COGCC, violating Rule 308B.

Abatement or Corrective Action Required to be Performed by Operator: _____ Corrective Action Due Date: 12/16/2016

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

Operator shall submit one or more Form 5A, Completed Interval Reports, to disclose completed formations for the Well.

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, High Plains Energy LLC (Operator) is required to submit Form 7, Monthly Reports of Operations, for all existing oil and gas wells that are not plugged and abandoned. Operator is required to report every month from the time the well is spud until one month after abandonment. Operator spud the Dune Ridge State #32-2 well, API 075-09415, (Well) on February 25, 2014. Operator failed to submit any Form 7, Monthly Reports of Operations, for the Well to date, violating Rule 309.

Abatement or Corrective Action Required to be Performed by Operator: _____ Corrective Action Due Date: 12/16/2016

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

Operator shall submit Form 7 reports for the Well for February 2014 through September 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.

NOAV ISSUED

NOAV Issue Date: 11/16/2016

COGCC Representative Signature: Steven Mah

COGCC Representative: Steven Mah Title: NOAV Specialist

Email: steven.mah@state.co.us Phone Num: (303) 894-2100x5172

ATTACHMENT LIST

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

Document Number	Description
401150882	NOAV COVER LETTER
401150883	NOAV CERTIFIED MAIL RECEIPT

Total Attach: 2 Files