

State of Colorado  
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203  
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401395685  
Date Issued:  
09/07/2017  
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: 90615           |           | Contact Name and Telephone:    |                      |
| Name of Operator: TUDEX PETROLEUM INC |           | Name: Lionel Conn              |                      |
| Address: 2121 39TH AVE NE UNIT E      |           | Phone: (403) 250-7225 Fax: ( ) |                      |
| City: CALGARY                         | State: AL | Zip: T2E 6R7                   | Email: lconn@live.ca |
| Additional Operator Contacts          |           | Email                          |                      |
| Judith Hagan                          |           | TUDORCORP@hotmail.ca           |                      |

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

|                             |         |                          |                        |
|-----------------------------|---------|--------------------------|------------------------|
| API Number: 05-001-08491-00 |         | Facility or Location ID: |                        |
| Name: LAMBERT               |         | Number: 2                |                        |
| QtrQtr: SWNE                | Sec: 11 | Twp: 1S                  | Range: 67W Meridian: 6 |
| County: ADAMS               |         |                          |                        |

**ALLEGED VIOLATION**

|   |  |
|---|--|
| Rule: 210.b   |  |
| Rule Description: Signs & Markers- Wells & Batteries  |  |
| 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:   |  |
| <p>Pursuant to Rule 210.b, within 60 days after the installation of a battery, Tudex Petroleum, Inc. (Operator) shall install a permanent sign at the wellhead. This sign shall provide, among other required information, the name of the Operator, a phone number at which the Operator can be reached at all times, and a phone number for local emergency services (911 where available). During an inspection on June 20, 2017 (Doc. No. 685503098), COGCC Staff observed that the signage on site at the Lambert 2 well, API No. 001-08491 ("Well") did not include emergency contact information. COGCC Staff, in Doc. No. 685503098, required Operator to modify the signage to include emergency contact information as required by July 20, 2017. During follow up inspections on July 26, 2017 (Doc. No. 687400121), COGCC Staff observed that the signage had not been modified to include emergency contact information. Operator is therefore in violation of Rule 210.b.</p> |  |
| Abatement or Corrective Action Required to be Performed by Operator:  | Corrective Action Due Date: 07/20/2017               |
| <b>Proper and timely abatement does not preclude the assessment of penalties and an Order Finding Violation.</b>  |  |
| Operator shall install signage at the Well including emergency contact information as required by Rule 210.b. Deadline: August 30, 2017.  |  |

|   |  |
|---|--|
| Rule: 309   |  |
| Rule Description: Operator's Monthly Report of Operations |  |
| 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.a, operators shall report all existing oil and gas wells that are not plugged and abandoned on the Operator's Monthly Report of Operations, Form 7, within 45 days after the end of each month. Operator shall report every month from the month that it is spud until it has been reported for one month as abandoned. When reviewing records in connection with a July 26, 2017 follow up inspection of the Well (Doc. No. 687400121), COGCC Staff discovered that Operator filed Form 7s since December 2016. COGCC Staff, in Doc. No. 687400121, required Operator file Form 7s as required by Rule 309.a by August 30, 2017. Operator has not filed Form 7s as of the issuance of this Notice of Alleged Violation. Operator is therefore in violation of Rule 309.a.

Abatement or Corrective Action Required to be Performed by Operator:

Corrective Action Due Date: 08/30/2017

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

Operator shall file Form 7s required by Rule 309.a.

Rule: 603.f

Rule Description: Statewide Equipment, Weeds, Waste, and Trash Requirements

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 603.f, Operator shall keep all locations including wells and surface production facilities free of equipment and supplies not necessary for use on that lease, weeds, rubbish, and other waste materials. During a June 20, 2017 inspection of the Well (Doc. No. 685503098), COGCC Staff observed fittings and a container full of liquid with a wax-like substance on the surface at the Well. COGCC Staff, in Doc. No. 685503098, required Operator to comply with Rule 603.f by July 11, 2017, and directed Operator to the Rule 603.f guidance document. During a follow up inspection on July 26, 2017 (Doc. No. 687400121), COGCC Staff observed multiple joints of tubing littered around the wellhead and overgrown weeds at the wellhead.

Abatement or Corrective Action Required to be Performed by Operator:

Corrective Action Due Date: 07/11/2017

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

Operator shall comply with Rule 603.f using the Rule 603.f guidance document.

Rule: 906.a.

Rule Description: Spills and Releases - General

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 906.a, Operator shall, immediately upon discovery, control and contain all spills/releases of exploration and production waste or produced fluids. Operators shall investigate, clean up, and document impacts resulting from spills/releases as soon as practicable. During an inspection of the Well on June 20, 2017 (Doc. No. 685503098), COGCC Staff observed stained soil and motor mounts at the wellhead and stained soil inside the berms at the Well. COGCC Staff, in Doc. No. 685503098, required Operator to control, contain, and clean up the spill/release by July 20, 2017. During follow up inspections on July 26, 2017 (Doc. No. 687400121), COGCC Staff again observed stained soil around the wellhead, the pumping unit frame around the prime mover, under the separator fire tube, inside the separator cabinet, and behind the production tank. Staff took photographs of the stained soil (Doc. No. 687400122). Operator is therefore in violation of Rule 906.a.

Abatement or Corrective Action Required to be Performed by Operator:

Corrective Action Due Date: 07/20/2017

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

Operator shall control and contain the spill/release at the Well and investigate, clean up, and document impacts resulting from the spill/release as required by Rule 906.a. Operator shall properly treat or dispose of oily waste in accordance with Rule 907.e.

## 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\\_cogccenforecment@state.co.us](mailto:dnr_cogccenforecment@state.co.us).

## NOAV ISSUED

NOAV Issue Date: 09/07/2017

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

COGCC Representative: Steven Mah

Title: Enforcement Officer

Email: steven.mah@state.co.us

Phone Num: (303) 894-2100x5172

## CORRECTIVE ACTION COMPLETED

Rule: 210.b

Rule Description: Signs & Markers- Wells & Batteries

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: 309

Rule Description: Operator's Monthly Report of Operations

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: 603.f

Rule Description: Statewide Equipment, Weeds, Waste, and Trash Requirements

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: 906.a.

Rule Description: Spills and Releases - General

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>          |
|------------------------|-----------------------------|
| 401397953              | NOAV COVER LETTER           |
| 401397954              | NOAV CERTIFIED MAIL RECEIPT |
| 401397955              | NOAV ISSUED                 |

Total Attach: 3 Files