

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203
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Document Number:

402958947

Date Issued:

02/17/2022

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

OGCC Operator Number: 17180

Name of Operator: CITATION OIL & GAS CORP

Address: 14077 CUTTEN RD

City: HOUSTON State: TX Zip: 77069

Contact Name and Telephone:

Name: SHARON WARD

Phone: (281) 891-1556 Fax: ()

Email: sward@cogc.com

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

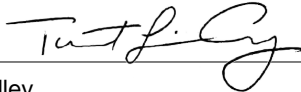
Penalties for violations alleged in this NOAV will be calculated pursuant to Rule 525, with daily penalties accruing pursuant to Section 34-60-121(1), C.R.S.

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_cogccenforcement@state.co.us.

NOAV ISSUED

NOAV Issue Date: 02/17/2022

COGCC Representative Signature: 

COGCC Representative: Trent Lindley

Title: NOAV Specialist

Email: trent.lindley@state.co.us

Phone Num: (303) 894-2100 x5143

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>
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Total Attach: 0 Files