

**Colorado Oil and Gas Conservation
Commission**

Supplemental

2015 Annual Violations and Penalties Report

Under Executive Order No. D 2013-004

(Updated to include full calendar year 2015)

January 15, 2016

Introduction

Executive Order D 2013-004, issued by Governor John W. Hickenlooper on May 8, 2013, directed the Colorado Oil and Gas Conservation Commission (“Commission”) to annually review its enforcement program, penalty structure, and imposition of fines, and by December 10 each year, report “on all violations, any and all penalties imposed regarding violations, and the rationale for the calculation of final penalty assessments, including fines.”

The Commission submitted its Enforcement and Penalty Policy Review Under Executive Order No. D 2013-004 in December 2013 and 2014. This satisfies the annual requirement to report on violations and penalties described above.

This Report provides statistics at the Notice of Alleged Violation (“NOAV”) level and at the Enforcement Order level. Contents include the following tables:

1. 2015 Commission Enforcement Orders Summary
2. 2015 Commission Enforcement Orders
3. 2015 Commission Notices of Alleged Violation Summary
4. 2015 Commission Notices of Alleged Violation

Enforcement Order statistics are based on all 2015 Commission hearings through December 7-8, 2015. These statistics are unchanged from the original December 10, 2015 report.

This Supplemental Report includes NOAV statistics based on NOAVs issued from January 1, 2015 through December 31, 2015 and the NOAV status as of December 31, 2015. The original December 10, 2015 report only included NOAVs issued through November 30, 2015, and their status as of November 30, 2015.

2015 Commission Enforcement Orders Report

Table 1 summarizes all Commission Enforcement Orders issued in 2015, through December 7-8, 2015. Commission Enforcement Orders issued in 2015 resolved Notices of Alleged Violation issued during the current or in previous years. A Commission Enforcement Order results from the Commission issuing an Order Finding Violation (“OFV”) after a hearing or approving an Administrative Order by Consent (“AOC”) that Commission Staff and the operator negotiated.

Table 2 lists information specific to each Enforcement Order, including the violations alleged in each underlying NOAV; total penalty imposed; and factors that contributed to the penalty calculation.

Table 1: 2015 Commission Enforcement Orders Summary

| | | | |
|--|------------------------|--|-------------|
| Total Orders | | | 63 |
| | AOCs | | 54 |
| | OFVs | | 8 |
| | Other (Foreclose bond) | | 1 |
| Total No. of NOAVs Resolved by Orders | | | 104 |
| Total No. of Cited Violations Resolved | | | 182 |
| Orders with Penalties | | | 61 |
| Orders without Penalties | | | 2 |
| | Total Penalties | | \$3,322,436 |
| | Maximum Penalty | | \$773,250 |
| | Minimum Penalty | | \$0 |
| | Average Penalty | | \$53,588 |
| | Median Penalty | | \$22,310 |

Table 2: 2015 Commission Enforcement Orders

| Operator | Operator No. | NOAV Date | NOAV Nos. | Violations in Order | Penalty (Total) | Penalty (Suspended) | Penalty Days | Daily Penalty | Aggravating Factors | Mitigating Factors | Pattern of Violation (Y/N) | Gross Negligence or Knowing & Willful misconduct (Y/N) | AOC or OFV | Other Rationale | Docket No. | Order No. (1V-___) | Final Order Date |
|--|--------------|--------------------------|---|---|-----------------|---------------------|--------------|---------------|---------------------|--------------------|----------------------------|--|------------|--|------------------------|--------------------|------------------|
| Anadarko E&P Onshore LLC | 2800 | 4/28/2015 | 2157874 | 333 | \$20,620 | \$0 | 101 | \$204 | None | None | N | N | AOC | Policy Table Value with Duration Matrix; Settlement Inducement | 151000355 | 550 | 12/8/2015 |
| Antler Energy LLC | 10407 | 5/14/2015 | 2618118; 2618124; 2618126; 2618127; 2618128; 2618129 | 309 (6 violations) | \$60,000 | \$45,000 | 60 | \$1,000 | None | None | N | N | AOC | Statutory Maximum; Suspension | 150900335 | 519 | 9/14/2015 |
| Bayswater Exploration & Production, LLC | 10261 | 2/11/2015 | 200423832 | 902.a; 902.b | \$10,000 | \$0 | 2 | \$5,000 | None | 2; 4 | N | N | AOC | Policy Table Value | 150700256 | 511 | 7/20/2015 |
| Benchmark Energy LLC | 10380 | 8/1/2014 | 200409785 | 906.a.; 906.b.(1A) (Verbal Reporting); 906.b. (Written Reporting); 907.b. | \$28,400 | \$0 | 260 | \$109 | None | None | N | N | AOC | Consolidation; Duration Matrix | 150300138 | 496 | 4/13/15 |
| Benchmark Energy LLC | 10380 | 1/15/2015 | 200421709; 200421712; 200421713; 200421714; 200421715; 200421716 | 210 (3 violations); 603.f (6 violations); 605.a.(4) (2 violations); 605.d; 1002.f; 1003.a | \$773,250 | \$773,250 | 2745 | \$282 | None | None | N | N | AOC | Policy Table Value with Duration Matrix; Suspension | 150500190 | 501 | 5/18/2015 |
| Black Diamond Minerals, LLC | 10244 | 12/15/2014 | 200419071 | Rule 210.d. (1 violation); Rule 603.f. (1 violation); 34-60-121(1), C.R.S. (6 violations) | \$72,000 | \$0 | 80 | \$900 | None | None | N | N | AOC | Policy Table Value with Duration Matrix; Settlement Inducement | 150700141 | 515 | 7/20/2015 |
| Black Resources, Inc. | 8725 | 6/10/2015 | 2618134 | 309; 326; 319.b. | \$18,402 | \$18,402 | 834 | \$22 | None | None | N | N | OFV | Commission Deliberation | 151000469 | 555 | 12/8/2015 |
| Bonanza Creek Energy Operating Company LLC | 8960 | 8/8/2003 | 200384809 | 326.a.(5) | \$7,500 | \$0 | 10 | \$750 | None | 6 | N | N | AOC | Settlement Inducement | 150500142 | 503 | 5/18/2015 |
| BP America Production Company | 10000 | 4/14/2015 | 200429174 | 605.d.; 1101.e. | \$20,000 | \$0 | 2 | \$10,000 | None | None | N | N | AOC | Daily penalty was increased due to the nature of violation | 150900352 | 533 | 9/14/2015 |
| Burlington Resources Oil & Gas Company LP | 26580 | 5/8/2015 | 200431886 | 912.b. | \$31,500 | \$15,000 | 23 | \$1,370 | None | None | N | N | AOC | Policy Table Value with Rule Reclassification; Duration Matrix; Suspension | 151000470 | 540 | 10/26/2015 |
| Carrizo Niobrara LLC | 10439 | 5/6/2015; 3/17/2015 | 200431703; 2157864 | 609 ; 308A.b. ; 308B ; 312; 317.p. | \$73,482 | \$0 | 251 | \$293 | None | None | N | N | AOC | Policy Table Value with Duration Matrix; Settlement Inducement | 150900332 | 536 | 9/14/2015 |
| Charles P. Dunning LLC | 200077 | 2/2/2015 | 200422682 | 205A.; 308A.; 309; 316C.a.; 316C.b.; 34-60-121(1) C.R.S. | \$7,000 | \$0 | 6 | \$1,167 | None | None | N | N | AOC | Policy Table Value | 150500257 | 504 | 5/18/2015 |
| Chris Glade Oil & Gas LLC | 10378 | 6/17/2015 | 2618138 | 309; 326 | \$66,636 | \$0 | 806 | \$83 | None | None | N | N | OFV | Commission Deliberation | 151000483 | 556 | 12/8/2015 |
| CM Production LLC | 10352 | 12/3/2013; 3/18/2014 | 200390913; 200390941; 200390909 | 909 (2 Violations); 902.b.; 907.a; 907.e; 1002.f.(2) | \$60,000 | \$15,000 | 60 | \$1,000 | None | None | N | N | AOC | Statutory Maximum; Suspension | 1404-OV-19 & 150300191 | 507 | 5/18/2015 |
| Coachman Energy Operating Company LLC | 10500 | 1/27/2015 | 200422072 | 609 | \$2,000 | \$0 | 1 | \$2,000 | none | none | N | N | AOC | Settlement Inducement | 150700258 | 517 | 7/20/2015 |
| D.J. Simmons, Inc. | 100178 | 3/30/2015 | 200427951 | 326 | \$6,000 | \$0 | 10 | \$600 | None | 6 | N | N | AOC | Settlement Inducement | 151000347 | 554 | 12/8/2015 |
| Edward Mike Davis LLC | 22755 | 6/2/2015 | 200433400 | 326.f. | \$2,500 | \$0 | 1 | \$2,500 | None | None | N | N | AOC | Policy Table Value | 151000471 | 539 | 10/27/2015 |
| EE3 LLC | 10450 | 12/22/2014; 6/24/2015 | 2157853; 200434695 | 603.a.(1); 907.a.(1); 907.e.(2); 1002.f.(2) | \$267,000 | \$100,000 | 905 | \$30 | None | None | N | N | AOC | Consolidation; Policy Table Value with Duration Matrix; Suspension | 151000480 | 552 | 12/8/2015 |

Table 2: 2015 Commission Enforcement Orders

| Operator | Operator No. | NOAV Date | NOAV Nos. | Violations in Order | Penalty (Total) | Penalty (Suspended) | Penalty Days | Daily Penalty | Aggravating Factors | Mitigating Factors | Pattern of Violation (Y/N) | Gross Negligence or Knowing & Willful misconduct (Y/N) | AOC or OFV | Other Rationale | Docket No. | Order No. (1V-___) | Final Order Date |
|---|--------------|---------------------------------------|---|---|-----------------|---------------------|--------------|---------------|---------------------|--------------------|----------------------------|--|------------|--|------------|--------------------|------------------|
| EE3 LLC | 10450 | 11/3/2015 | 200437872 | 912.b. | \$52,750 | \$0 | 205 | \$257 | None | None | N | N | AOC | Rule Reclassification; Duration Matrix | 151200775 | 553 | 12/8/2015 |
| Energy Search Company | 27635 | 6/25/2015 | 2559186 | 707.a. | \$63,090 | \$0 | 482 | \$131 | None | None | N | N | OFV | Policy Table Value with Duration Matrix | 151000481 | 547 | 10/27/2015 |
| Extraction Oil & Gas LLC | 10459 | 6/30/2015; 6/30/2015; 6/30/2015 | 1772590; 1772588; 1772589 | 309 (3 violations), 316C (3 violations) | \$17,080 | \$0 | 213 | \$80 | None | None | N | N | AOC | Policy Table Value with Duration Matrix | 151000482 | 542 | 10/26/2015 |
| Foundation Energy Management LLC | 10112 | 7/14/2014 (3); 9/25/2014(2) | 200408958; 200408959; 200408960; 200412868; 200412872 | 906.b. (4 violations) ; 906.c. (5 violations) ; 1101.e. (2 violations) | \$110,000 | \$24,000 | 110 | \$1,000 | None | None | N | N | AOC | Statutory Maximum; Suspension | 1410-OV-67 | 491 | 1/26/2015 |
| Fram Operating LLC | 10310 | 6/10/2015 | 2618135 | 326.b | \$7,500 | \$0 | 10 | \$750 | None | None | N | N | AOC | Settlement Inducement | 150900472 | 530 | 9/14/2015 |
| Fritzler Resources, Inc. | 31257 | 8/1/2014 | 200409794 | 210.b.(1); 1002.f.; 1003.d.; 1003.e. | \$30,000 | \$0 | 40 | \$750 | None | None | N | N | AOC | Consolidation; Settlement Inducement | 150500148 | 506 | 5/18/2015 |
| Genesis Gas & Oil Colorado LLC | 10384 | 2/13/2015 | 200425172; 200425173; 200425174 | 326.c (3 violations) | \$24,000 | \$0 | 30 | \$800 | None | None | N | N | AOC | Settlement Inducement | 150400259 | 499 | 4/13/15 |
| Great Western Operating Company LLC | 10110 | 11/3/2014 | 200414097 | 912.b; 912.e.; 805.b.(3)A. | \$12,250 | \$0 | 6 | \$2,042 | None | None | N | N | AOC | Settlement Inducement | 150300149 | 498 | 4/13/15 |
| Griffin Management, LLC | 100182 | 2/2/2015 | 2558822 | 302 | \$25,500 | \$23,600 | 28 | \$911 | None | None | N | N | AOC | Policy Table Value with Duration Matrix; Settlement Inducement; Suspension | 150900187 | 546 | 10/26/2015 |
| Halcyon Exploration Company, LLC | 10147 | 7/24/2014 (2); 3/17/2014 | 400650567; 400650507; 2450978 | 1004 (2 violations); 308A | \$30,000 | \$0 | 30 | \$1,000 | None | None | N | N | AOC | Statutory Maximum | 1410-OV-71 | 492 | 1/26/2015 |
| High Plains Disposal Inc | 110258 | 2/11/2015 | 200423839 | 318A.f | \$2,000 | \$0 | 1 | \$2,000 | None | None | N | N | AOC | Settlement Inducement | 150500260 | 500 | 5/18/2015 |
| Jack Grynberg, d/b/a Grynberg Petroleum Co | 36200 | 12/9/2014; 2/6/2015 | 2157844; 200423091 | 308A; 308B (2 violations); 316C; 205A; § 34-60-121(1) C.R.S. [Order Violation] | \$42,500 | \$0 | 44 | \$966 | None | None | N | N | AOC | Settlement Inducement | 150500150 | 510 | 5/18/2015 |
| J-W Operating Company | 44350 | 8/20/2015 | 2618170 | 319.b., 326.b. | \$4,185 | \$0 | 398 | \$11 | None | None | N | N | AOC | Statutory Penalty; Settlement Inducement | 151000661 | 543 | 10/26/2015 |
| J-W Operating Company | 44350 | 1/12/2015 | 2558823 | 302.b. | \$55,350 | \$51,529 | 290 | \$191 | None | None | N | N | AOC | Policy Table Value with Duration Matrix; Settlement Inducement; Suspension | 151000188 | 544 | 10/26/2015 |
| Kerr McGee Oil & Gas Onshore LP | 47120 | 9/3/2014; 1/15/2015 (2) | 200411687; 200422240; 200422221 | 318A.f; 1002.f.(2)F (2 violations) | \$6,000 | \$0 | 3 | \$2,000 | None | None | N | N | AOC | Policy Table Value | 150500261 | 502 | 5/18/2015 |
| Kerr-McGee Oil & Gas Onshore LP (Operator No.) | 47120 | 10/16/2014 | 200414053 | 317.e | \$10,000 | \$0 | 10 | \$1,000 | None | None | N | N | AOC | Statutory Maximum | 150900554 | 531 | 9/14/2015 |
| Kestrel Resources, Inc. | 47085 | 12/15/2014; 12/22/2014 | 200419274; 200410089 | Rule 906.a. (2 violations); Rule 906.b. (2 violations); Rule 907.a.(1) (2 violations) | \$174,600 | \$49,600 | 182 | \$959 | 1 | None | N | N | AOC | Policy Table Value with Duration Matrix; Aggravating Factor; Suspension | 150700156 | 525 | 7/20/2015 |
| KP Kaufmann Company, Inc. | 46290 | 1/22/2015 | 200421934 | Rule 317 (1 violation) | \$1,000 | \$0 | 1 | \$1,000 | None | None | N | N | AOC | Statutory Maximum | 150700153 | 518 | 7/20/2015 |
| Locin Oil Corporation | 51130 | 6/24/2015 | 2618152 | 326.b. | \$7,500 | \$0 | 10 | \$750 | None | None | N | N | AOC | Settlement Inducement | 151000485 | 548 | 10/26/2015 |

Table 2: 2015 Commission Enforcement Orders

| Operator | Operator No. | NOAV Date | NOAV Nos. | Violations in Order | Penalty (Total) | Penalty (Suspended) | Penalty Days | Daily Penalty | Aggravating Factors | Mitigating Factors | Pattern of Violation (Y/N) | Gross Negligence or Knowing & Willful misconduct (Y/N) | AOC or OFV | Other Rationale | Docket No. | Order No. (1V-___) | Final Order Date |
|-----------------------------------|--------------|---|---|--|-----------------|---------------------|--------------|---------------|---------------------|--------------------|----------------------------|--|-------------|---|------------|--------------------|------------------|
| Maggie Operating, Inc. | 25230 | 4/2/2015; 4/2/2015; 4/2/2015; 12/3/2014 | 200428452; 200428457; 200428456; 200418517 | 326.b. (4 violations), 603.f., 605.a., 1002.f., 1003.a. | \$126,150 | \$0 | 138 | \$914 | None | None | N | N | AOC | Policy Table Value with Duration Matrix; Settlement Inducement | 150900157 | 537 | 10/26/2015 |
| Maralex Resources Inc. | 53255 | 12/11/2014 | 200419079 | Rule 319.b.(1) | \$47,600 | \$0 | 145 | \$328 | None | None | N | N | OFV | Commission Deliberation | 150500158 | 524 | 7/20/2015 |
| Maralex Resources, Inc. | 53255 | 9/17/2014; 9/17/2014; 9/17/2014; 9/17/2014; 12/11/2014; 12/11/2014 | 400687355; 400686674; 400688414; 400688424; 200419078 | Order 112-85 (4 violations); 317.e.; 605.b.(7) | \$52,500 | \$0 | 51 | \$1,029 | None | None | N | N | OFV | Commission Deliberation | 150500158 | 509 | 5/28/2015 |
| Mendell Finisterre II LLC | 10474 | 1/27/2015 | 200422078 | 34-60-121(1), C.R.S. (1 violation) | \$2,000 | \$0 | 1 | \$2,000 | None | 2 | N | N | AOC | Settlement Inducement | 150700262 | 512 | 7/20/2015 |
| Omimex Petroleum Inc. | 66190 | 3/20/2015 | 200427342 | 609 | \$2,500 | \$0 | 85 | \$29 | None | None | N | N | AOC | Policy Table Value with Rule Reclassification; Duration Matrix | 150900337 | 528 | 9/14/2015 |
| Overland Resources LLC | 19035 | 12/31/2014 | 2558800 | 302.a | \$53,900 | \$50,166 | 228 | \$236 | Other | Other | N | N | AOC | Policy Table Value with Duration Matrix; Suspension | 150700185 | 521 | 7/20/2015 |
| OXY USA, Inc. | 66561 | 4/8/2015 | 200429162 | 303.b.(1) | \$4,000 | \$0 | 4 | \$1,000 | None | None | N | N | AOC | Statutory Maximum | 150900356 | 527 | 9/14/2015 |
| P&M Petroleum Management LLC | 66565 | 10/15/2014; 7/8/2013; 10/6/2014; 10/6/2014; 10/25/2012; 8/14/2014 | 200413930; 200382861; 2465111; 2465110; 200360269; 400629229 | Rule 210 (1 violation); Rule 603.f (1 violation); Rule 906 (1 violation); Rule 1004.a (1 violation); Rule 1004.b (1 violation); Rule 309 (2 violations); Rule 326.b (3 violations); Rule 302 (1 violation). | \$256,300 | \$156,300 | 1056 | \$243 | None | None | N | N | AOC | Policy Table Value with Duration Matrix; Suspension; Ability to Pay | 150700162 | 520 | 7/20/2015 |
| Petro Mex Resources | 10059 | 3/23/2015; 9/10/2014 | 400691473; 200411773 | 310 ; 603.f. | \$20,000 | \$0 | 20 | \$1,000 | None | None | N | N | AOC | Statutory Maximum | 150500164 | 534 | 9/14/2015 |
| Piceance Energy, LLC | 10433 | 7/15/2015 | 200435658 | 609.f. | \$3,866 | \$0 | 272 | \$14 | None | None | N | N | AOC | Policy Table Value with Rule Reclassification; Duration Matrix | 151000558 | 538 | 10/26/2015 |
| Ranchers Exploration Partners LLC | 10350 | 10/23/2014; 10/27/2014 | 200415200; 200415708 | Rule 1002.f. (2 violations); Rule 1004 (1 violation); 34-60-121(1), C.R.S. | \$78,500 | \$0 | 322 | \$244 | None | None | N | N | OFV | Commission Deliberation | 150700166 | 526 | 7/20/2015 |
| Red Mesa Holdings/O&G LLC | 10254 | 4/8/2015 | 2559011 | 707.a | \$59,800 | \$0 | 346 | \$173 | None | None | N | N | OFV | Policy Table Value with Duration Matrix | 150500338 | 508 | 5/18/2015 |
| Red Mountain Resources, LLC | 10374 | None | None | None | None | None | None | None | None | None | N | N | Other Order | Order for foreclosure of financial assurance and other relief | 151000664 | 549 | 10/26/2015 |
| Ricker Farms Inc. | 74546 | 11/14/2014 | 2465138 | 309; 326 | \$0 | \$0 | 20 | \$0 | None | None | N | N | AOC | No Penalty for Domestic Well | 150700167 | 530 | 9/14/2015 |
| Schneider Energy Services | 76840 | 11/14/2014 | 2465139 | 319.b; 326.c | \$20,000 | \$0 | 20 | \$1,000 | None | None | N | N | AOC | Statutory Maximum | 150900169 | 523 | 9/14/2015 |
| SG Interests I Ltd. | 77330 | 10/1/2015 | 200437638 | 912.e | \$2,000 | \$0 | 1 | \$2,000 | None | None | N | N | AOC | Policy Table Value; Settlement Inducement | 151200688 | 551 | 12/8/2015 |
| Sovereign Operating Company LLC | 10383 | 4/13/2015 | 200429283 | 707.a | \$59,800 | \$59,800 | 346 | \$173 | None | 2 | N | N | AOC | Policy Table Value with Duration Matrix; Suspension | 150500342 | 505 | 5/18/2015 |

Table 2: 2015 Commission Enforcement Orders

| Operator | Operator No. | NOAV Date | NOAV Nos. | Violations in Order | Penalty (Total) | Penalty (Suspended) | Penalty Days | Daily Penalty | Aggravating Factors | Mitigating Factors | Pattern of Violation (Y/N) | Gross Negligence or Knowing & Willful misconduct (Y/N) | AOC or OFV | Other Rationale | Docket No. | Order No. (1V-___) | Final Order Date |
|----------------------------|--------------|------------------------|---------------------------------|---|-----------------|---------------------|--------------|---------------|---------------------|--------------------|----------------------------|--|------------|--|-----------------------|--------------------|------------------|
| Stelbar Corporation, Inc. | 82470 | 3/13/2015 | 200426372 | Rule 303.b.(1)(C) 1 violation); Rule 903.a.(1) (1 violation), Rule 905.b. (2 violations); Rule 906.b. (1 violation) | \$50,000 | \$0 | 50 | \$1,000 | None | None | N | N | AOC | Statutory Maximum | 150700334 | 516 | 7/20/2015 |
| Suncor Energy (U.S.A.) Inc | 83720 | 6/19/2014 | 400629488 | 302.a | \$10,000 | \$9,000 | 10 | \$1,000 | None | Other | N | N | AOC | Statutory Maximum; Suspension | 150700171 | 522 | 7/20/2015 |
| Top Operating Company | 39560 | 7/31/2014 | 200409733 | 318A.f | \$2,000 | \$0 | 1 | \$2,000 | None | None | N | N | AOC | Settlement Inducement | 150500173 | 513 | 7/20/2015 |
| TOP Operating Company | 39560 | 5/22/2015 | 200432815 | 319.b., 326.b. | \$15,000 | \$0 | 10 | \$1,500 | None | None | N | N | AOC | Settlement Inducement | 151000474 | 535 | 10/26/2015 |
| Unit Petroleum Company | 10259 | 11/17/2014 | 200417241 | 326.b.(1) | \$8,000 | \$0 | 10 | \$800 | None | None | N | N | AOC | Settlement Inducement | 150300135 | 493 | 3/2/2015 |
| Vitruvian Exploration, LLC | 10026 | 5/11/2015 | 200429994; 200430002; 200430004 | Rule 1004 (3 violations) | \$141,700 | \$0 | 322 | \$440 | None | None | N | N | AOC | Policy Table Value with Duration Matrix | 150700354 | 514 | 7/20/2015 |
| Wellstar Corporation | 95245 | 4/8/2015 | 2157870 | § 34-60-121(1) C.R.S.; 308A; 308B; 312 | \$40,000 | \$0 | 40 | \$1,000 | None | None | N | N | AOC | Statutory Maximum | 150900348 | 532 | 9/14/2015 |
| Willford Resources, LLC | 96735 | 6/25/2015 | 200434706 | 326.b. | \$45,225 | \$30,725 | 356 | \$127 | None | None | N | N | AOC | Policy Table Value with Duration Matrix; Settlement Inducement; Suspension | 151000488 | 545 | 10/26/2015 |
| WillSource Enterprise LLC | 96790 | 11/13/2014; 11/14/2014 | 200417072; 200417060 | 326.b.(1) | \$20,000 | \$0 | 20 | \$1,000 | None | None | N | N | OFV | Statutory Maximum | 1501-OV-01; 150100174 | 495 | 3/3/2015 |

Aggravating factors.

- (1) The violator acted with gross negligence or knowing and willful misconduct.
- (2) The violation resulted in significant waste of oil and gas resources.
- (3) The violation had a significant negative impact on correlative rights of other parties.
- (4) The violator was recalcitrant or uncooperative with the Commission or other agencies in correcting or responding to the violation.
- (5) The violator falsified reports or records.
- (6) The violator benefited economically from the violation, in which case the amount of such benefit shall be taken into consideration.
- (7) The violator has engaged in a pattern of violations.

Mitigating factors.

- (1) The violator self-reported the violation.
- (2) The violator demonstrated prompt, effective and prudent response to the violation, including assistance to any impacted parties.
- (3) The cause of the violation was outside of the violator's reasonable control and responsibility, or is customarily considered to be force majeure.
- (4) The violator made a good faith effort to comply with applicable requirements prior to the Commission learning of the violation.
- (5) The cost of correcting the violation reduced or eliminated any economic benefit to the violator, excluding circumstances in which increased costs stemmed from non-compliance.
- (6) The violator has demonstrated a history of compliance with the Act, and Commission rules, orders, and permits.

2015 Commission Notices of Alleged Violation Report (Through December 31, 2015)

Table 3 summarizes all Notices of Alleged Violations (“NOAVs”) the Commission issued from January 1, 2015, through December 31, 2015, and indicates whether a NOAV has been resolved (“closed”) or is still pending (“open”). For each 2015 NOAV, Table 4 indicates whether it is open or closed, and as appropriate, whether a penalty was imposed, the penalty amount, and other relevant information. Withdrawn NOAVs are not included in the statistics.

Table 3: 2015 Commission Notices of Alleged Violation Summary

| | | |
|---|-------------|------------------------|
| Total NOAVs Issued (1/1/2015 through 12/31/2015) (Does not include withdrawn NOAVs) | | 125 |
| Total Open | | 58 |
| Total Resolved | | 67 |
| | | 54 % Of Total Resolved |
| Resolved by Order With Penalty | | 60 |
| Resolved by Order Without Penalty | | 0 |
| Dismissed Without Penalty | | 7 |
| | | |
| Total Penalties Assessed | \$2,138,869 | |
| Maximum Penalty Assessed | \$214,300 | |
| Minimum Penalty Assessed | \$1,000 | |
| Average Penalty Assessed | \$35,468 | |
| Median Penalty Assessed | \$10,000 | |

Table 4: 2015 Commission Notices of Alleged Violation

NOAVs issued from January 1, 2015 through December 31, 2015

| NOAV No. | NOAV Date | Operator Name | Resolve Date | Closed (Y/N) | Docket No. | Order No. (1V-___) | Penalty (Y/N) | Penalty Amt. |
|-----------|------------|--|--------------|--------------|------------|--------------------|---------------|--------------|
| 2157874 | 4/22/2015 | ANADARKO E & P ONSHORE LLC | 12/8/2015 | Y | 151000355 | 550 | Y | \$20,620 |
| 2618118 | 5/14/2015 | ANTLER ENERGY LLC | 9/16/2015 | Y | 150900335 | 519 | Y | \$10,000 |
| 2618124 | 5/14/2015 | ANTLER ENERGY LLC | 9/16/2015 | Y | 150900335 | 519 | Y | \$10,000 |
| 2618127 | 5/14/2015 | ANTLER ENERGY LLC | 9/16/2015 | Y | 150900335 | 519 | Y | \$10,000 |
| 2618128 | 5/14/2015 | ANTLER ENERGY LLC | 9/16/2015 | Y | 150900335 | 519 | Y | \$10,000 |
| 2618129 | 5/14/2015 | ANTLER ENERGY LLC | 9/16/2015 | Y | 150900335 | 519 | Y | \$10,000 |
| 2618126 | 5/14/2015 | ANTLER ENERGY LLC | 11/5/2015 | Y | 150900335 | 519 | Y | \$10,000 |
| 2157885 | 6/23/2015 | ATOM PETROLEUM | | N | | | | |
| 2157892 | 7/10/2015 | ATOM PETROLEUM | | N | | | | |
| 2618137 | 6/17/2015 | ATOM PETROLEUM LLC | | N | | | | |
| 200422033 | 1/26/2015 | BAYSWATER EXPLORATION AND PRODUCTION LLC | | N | | | | |
| 200423832 | 2/11/2015 | BAYSWATER EXPLORATION AND PRODUCTION LLC | 7/21/2015 | Y | 150700256 | 511 | Y | \$10,000 |
| 200421709 | 1/15/2015 | BENCHMARK ENERGY LLC | 11/5/2015 | Y | 150500190 | 501 | Y | \$154,650 |
| 200421712 | 1/15/2015 | BENCHMARK ENERGY LLC | 11/5/2015 | Y | 150500190 | 501 | Y | \$51,550 |
| 200421713 | 1/15/2015 | BENCHMARK ENERGY LLC | 11/5/2015 | Y | 150500190 | 501 | Y | \$103,100 |
| 200421714 | 1/15/2015 | BENCHMARK ENERGY LLC | 11/5/2015 | Y | 150500190 | 501 | Y | \$206,200 |
| 200421715 | 1/15/2015 | BENCHMARK ENERGY LLC | 11/5/2015 | Y | 150500190 | 501 | Y | \$51,550 |
| 200421716 | 1/15/2015 | BENCHMARK ENERGY LLC | 11/5/2015 | Y | 150500190 | 501 | Y | \$206,200 |
| 200436808 | 8/19/2015 | BENCHMARK ENERGY LLC | | N | | | | |
| 200437036 | 8/31/2015 | BENCHMARK ENERGY LLC | | N | | | | |
| 200437037 | 8/31/2015 | BENCHMARK ENERGY LLC | | N | | | | |
| 400939440 | 12/11/2015 | BENCHMARK ENERGY LLC | | N | | | | |
| 2618134 | 6/10/2015 | BLACK RESOURCES, INC | 12/28/2015 | Y | 151000469 | 555 | Y | \$18,402 |
| 200437972 | 11/16/2015 | BONANZA CREEK ENERGY OPERATING COMPANY LLC | | N | | | | |
| 200429174 | 4/9/2015 | BP AMERICA PRODUCTION COMPANY | 9/16/2015 | Y | 150900352 | 533 | Y | \$20,000 |
| 200437191 | 9/14/2015 | BP AMERICA PRODUCTION COMPANY | | N | | | | |
| 200437370 | 9/24/2015 | BP AMERICA PRODUCTION COMPANY | | N | | | | |
| 200431886 | 5/8/2015 | BURLINGTON RESOURCES OIL & GAS LP | 10/27/2015 | Y | 151000470 | 540 | Y | \$31,500 |
| 2157864 | 3/17/2015 | CARRIZO NIOBRARA LLC | 9/16/2015 | Y | 150900332 | 536 | Y | \$70,982 |
| 200431703 | 5/6/2015 | CARRIZO NIOBRARA LLC | 9/16/2015 | Y | 150900332 | 536 | Y | \$2,500 |
| 1898000 | 10/9/2015 | CARRIZO NIOBRARA LLC | | N | | | | |
| 1897979 | 8/13/2015 | CASCADE PETROLEUM LLC | | N | | | | |
| 1897993 | 9/25/2015 | CASCADE PETROLEUM LLC | | N | | | | |
| 200422682 | 2/2/2015 | CHARLES P DUNNING LLC | 5/18/2015 | Y | 150500257 | 504 | Y | \$2,000 |
| 2618140 | 6/18/2015 | CM PRODUCTION LLC | | N | | | | |
| 2618141 | 6/18/2015 | CM PRODUCTION LLC | | N | | | | |
| 2618142 | 6/18/2015 | CM PRODUCTION LLC | | N | | | | |
| 2618143 | 6/18/2015 | CM PRODUCTION LLC | | N | | | | |
| 2618144 | 6/18/2015 | CM PRODUCTION LLC | | N | | | | |
| 2559352 | 8/27/2015 | CM PRODUCTION LLC | | N | | | | |
| 200438048 | 11/25/2015 | CM PRODUCTION LLC | | N | | | | |
| 200422072 | 1/27/2015 | COACHMAN ENERGY OPERATING COMPANY LLC | 11/5/2015 | Y | 150700258 | 517 | Y | \$2,000 |
| 200433400 | 6/2/2015 | DAVIS, LLC* EDWARD MIKE | 10/27/2015 | Y | 151000471 | 539 | Y | \$2,500 |
| 200436084 | 7/23/2015 | DCP MIDSTREAM LP | | N | 151200560 | | | |
| 200437757 | 10/16/2015 | DIVERSIFIED ENERGY LLC | | N | | | | |
| 200434695 | 6/24/2015 | EE3 LLC | 12/28/2015 | Y | 151000480 | 552 | Y | \$214,300 |
| 200437872 | 11/3/2015 | EE3 LLC | 12/28/2015 | Y | 151200775 | 553 | y | \$52,750 |
| 200430725 | 5/4/2015 | ENCANA OIL & GAS (USA) INC | | N | | | | |
| 400955107 | 12/17/2015 | ENCANA OIL & GAS (USA) INC | | N | | | | |
| 2559186 | 6/25/2015 | ENERGY SEARCH COMPANY | 10/27/2015 | Y | 151000481 | 547 | Y | \$63,090 |
| 1772588 | 6/30/2015 | EXTRACTION OIL & GAS LLC | 10/27/2015 | Y | 151000482 | 542 | Y | \$5,961 |
| 1772589 | 6/30/2015 | EXTRACTION OIL & GAS LLC | 10/27/2015 | Y | 151000482 | 542 | Y | \$5,658 |
| 1772590 | 6/30/2015 | EXTRACTION OIL & GAS LLC | 11/5/2015 | Y | 151000482 | 542 | Y | \$6,189 |
| 200437407 | 9/25/2015 | EXTRACTION OIL & GAS LLC | | N | | | | |
| 200437898 | 11/6/2015 | FOUNDATION ENERGY MANAGEMENT LLC | | N | | | | |
| 2618135 | 6/10/2015 | FRAM OPERATING LLC | 9/16/2015 | Y | 150900472 | 530 | Y | \$7,500 |
| 200425172 | 2/23/2015 | GENESIS GAS & OIL COLORADO LLC | 4/14/2015 | Y | 150400259 | 499 | Y | \$8,000 |
| 200425173 | 2/23/2015 | GENESIS GAS & OIL COLORADO LLC | 8/18/2015 | Y | 150400259 | 499 | Y | \$8,000 |
| 200425174 | 2/23/2015 | GENESIS GAS & OIL COLORADO LLC | 8/18/2015 | Y | 150400259 | 499 | Y | \$8,000 |
| 2618138 | 6/17/2015 | GLADE* CHRIS OIL & GAS LLC | 12/28/2015 | Y | 151000483 | 556 | Y | \$66,636 |
| 200436875 | 8/24/2015 | GREAT WESTERN OPERATING COMPANY LLC | | N | 151200658 | | | |
| 2558822 | 1/12/2015 | GRIFFIN MANAGEMENT LLC | 10/28/2015 | Y | 150900187 | 546 | Y | \$25,500 |
| 200423091 | 2/6/2015 | GRYNBERG* JACK DBA GRYNBERG PETROLEUM CO | 11/5/2015 | Y | 150500150 | 510 | Y | \$20,455 |

Table 4: 2015 Commission Notices of Alleged Violation

NOAVs issued from January 1, 2015 through December 31, 2015

| NOAV No. | NOAV Date | Operator Name | Resolve Date | Closed (Y/N) | Docket No. | Order No. (1V-___) | Penalty (Y/N) | Penalty Amt. |
|-----------|------------|---|--------------|--------------|------------|--------------------|---------------|--------------|
| 200436876 | 8/24/2015 | GRYNBERG* JACK DBA GRYNBERG PETROLEUM CO | | N | | | | |
| 200437259 | 9/18/2015 | GRYNBERG* JACK DBA GRYNBERG PETROLEUM CO | | N | | | | |
| 200423839 | 2/11/2015 | HIGH PLAINS DISPOSAL INC | 11/5/2015 | Y | 150500260 | 500 | Y | \$2,000 |
| 200437826 | 10/27/2015 | JAVERNICK OIL | | N | | | | |
| 2558823 | 1/12/2015 | J-W OPERATING COMPANY | 10/28/2015 | Y | 151000188 | 544 | Y | \$55,350 |
| 2618170 | 8/20/2015 | J-W OPERATING COMPANY | 10/28/2015 | Y | 151000661 | 543 | Y | \$4,185 |
| 200421934 | 1/22/2015 | K P KAUFFMAN COMPANY INC | 7/20/2015 | Y | 150700153 | 518 | Y | \$1,000 |
| 200425334 | 2/25/2015 | K P KAUFFMAN COMPANY INC | 6/29/2015 | Y | Dismissed | | N | |
| 200422221 | 1/12/2015 | KERR MCGEE OIL & GAS ONSHORE LP | 11/5/2015 | Y | 150500261 | 502 | Y | \$2,500 |
| 200422240 | 1/12/2015 | KERR MCGEE OIL & GAS ONSHORE LP | 11/5/2015 | Y | 150500261 | 502 | Y | \$2,500 |
| 2618152 | 6/24/2015 | LOCIN OIL CORPORATION | 10/28/2015 | Y | 151000485 | 548 | Y | \$7,500 |
| 200428452 | 4/2/2015 | MAGPIE OPERATING, INC | 10/27/2015 | Y | 151000157 | 537 | Y | \$7,500 |
| 200428456 | 4/2/2015 | MAGPIE OPERATING, INC | 10/27/2015 | Y | 151000157 | 537 | Y | \$36,600 |
| 200428457 | 4/2/2015 | MAGPIE OPERATING, INC | 10/27/2015 | Y | 151000157 | 537 | Y | \$82,050 |
| 200422078 | 1/14/2015 | MENDELL FINISTERRE II LLC | 7/20/2015 | Y | 150700262 | 512 | Y | \$2,000 |
| 200437223 | 9/18/2015 | MENDELL FINISTERRE II LLC | | N | | | | |
| 200427365 | 3/27/2015 | MONUMENT GLOBAL RESOURCES INC | | N | 150900486 | | | |
| 200434664 | 6/23/2015 | MONUMENT GLOBAL RESOURCES INC | | N | 150900160 | | | |
| 1352107 | 8/18/2015 | NOLTE* C J LLC | 12/31/2015 | Y | Dismissed | | N | |
| 1352108 | 8/18/2015 | NOLTE* C J LLC | 12/31/2015 | Y | Dismissed | | N | |
| 400950525 | 12/15/2015 | NORTHSTAR GAS COMPANY INC | | N | | | | |
| 200428783 | 4/29/2015 | NORTHSTAR RESOURCES, INC | | N | | | | |
| 200427342 | 3/20/2015 | OMIMEX PETROLEUM INC | 9/16/2015 | Y | 150900337 | 528 | Y | \$2,500 |
| 200429162 | 4/8/2015 | OXY USA INC | 9/16/2015 | Y | 150900356 | 527 | Y | \$4,000 |
| 200437910 | 11/10/2015 | PETROX RESOURCES INC | | N | | | | |
| 200435658 | 7/15/2015 | PICEANCE ENERGY LLC | 10/28/2015 | Y | 151000558 | 538 | Y | \$3,866 |
| 200437586 | 9/29/2015 | PICEANCE ENERGY LLC | | N | | | | |
| 200437631 | 9/29/2015 | PICEANCE ENERGY LLC | | N | | | | |
| 2559405 | 9/16/2015 | RANCHO TRES | | N | | | | |
| 200428835 | 4/6/2015 | RAVEN OIL & REFINING CO | 11/5/2015 | Y | Dismissed | | N | |
| 2559011 | 4/8/2015 | RED MESA HOLDINGS/O&G LLC | 5/18/2015 | Y | 150500338 | 508 | Y | \$59,800 |
| 200436071 | 7/23/2015 | RENEGADE OIL & GAS COMPANY LLC | | N | | | | |
| 200436605 | 8/12/2015 | SAGA PETROLEUM LIMITED LIABILITY CO OF CO | 12/4/2015 | Y | Dismissed | | N | |
| 2618136 | 6/11/2015 | SANTA FE NATURAL RESOURCES INC | | N | 151000473 | | | |
| 200437638 | 10/1/2015 | SG INTERESTS I LTD | 12/28/2015 | Y | 151200688 | 551 | Y | \$2,000 |
| 200427951 | 3/30/2015 | SIMMONS, INC.* D. J. | 12/28/2015 | Y | 151000347 | 554 | y | \$6,000 |
| 200430636 | 4/30/2015 | SMITH ENERGY LLC | 6/5/2015 | Y | Dismissed | | N | |
| 200429283 | 4/13/2015 | SOVEREIGN OPERATING COMPANY LLC | 5/18/2015 | Y | 150500342 | 505 | Y | \$59,800 |
| 200426372 | 3/11/2015 | STELBAR OIL CORPORATION, INC. | 7/20/2015 | Y | 150700334 | 516 | Y | \$50,000 |
| 1772582 | 6/22/2015 | SYNERGY RESOURCES CORPORATION | | N | 151000487 | | | |
| 1772583 | 6/22/2015 | SYNERGY RESOURCES CORPORATION | | N | 151000487 | | | |
| 1772584 | 6/22/2015 | SYNERGY RESOURCES CORPORATION | | N | 151000487 | | | |
| 1772585 | 6/22/2015 | SYNERGY RESOURCES CORPORATION | | N | 151000487 | | | |
| 200434693 | 6/22/2015 | SYNERGY RESOURCES CORPORATION | | N | 151000487 | | | |
| 200426655 | 3/18/2015 | TEXAS TEA OF COLORADO LLC DBA TEXAS TEA LLC | | N | | | | |
| 200430624 | 4/29/2015 | TEXAS TEA OF COLORADO LLC DBA TEXAS TEA LLC | | N | | | | |
| 200430630 | 4/29/2015 | TEXAS TEA OF COLORADO LLC DBA TEXAS TEA LLC | | N | | | | |
| 200437494 | 9/28/2015 | TEXAS TEA OF COLORADO LLC DBA TEXAS TEA LLC | | N | | | | |
| 200432815 | 5/22/2015 | TOP OPERATING COMPANY | 10/27/2015 | Y | 151000474 | 535 | Y | \$15,000 |
| 200420691 | 1/5/2015 | URSA OPERATING COMPANY LLC | 4/29/2015 | Y | Dismissed | | N | |
| 200429994 | 4/21/2015 | VITRUVIAN EXPLORATION LLC | 7/20/2015 | Y | 150700354 | 514 | Y | \$47,100 |
| 200430002 | 4/21/2015 | VITRUVIAN EXPLORATION LLC | 7/20/2015 | Y | 150700354 | 514 | Y | \$47,500 |
| 200430004 | 4/21/2015 | VITRUVIAN EXPLORATION LLC | 7/20/2015 | Y | 150700354 | 514 | Y | \$47,100 |
| 2558861 | 2/4/2015 | WELLINGTON OPERATING COMPANY | | N | | | | |
| 1352205 | 9/23/2015 | WELLINGTON OPERATING COMPANY | | N | | | | |
| 1352206 | 9/23/2015 | WELLINGTON OPERATING COMPANY | | N | | | | |
| 1352207 | 9/23/2015 | WELLINGTON OPERATING COMPANY | | N | | | | |
| 1352208 | 9/23/2015 | WELLINGTON OPERATING COMPANY | | N | | | | |
| 1352209 | 9/23/2015 | WELLINGTON OPERATING COMPANY | | N | | | | |
| 200437282 | 9/23/2015 | WELLINGTON OPERATING COMPANY | | N | | | | |
| 2157870 | 4/8/2015 | WELLSTAR CORPORATION | 9/16/2015 | Y | 150900348 | 532 | Y | \$40,000 |
| 200434706 | 6/25/2015 | WILLIFORD RESOURCES, L.L.C. | 10/28/2015 | Y | 151000488 | 545 | Y | \$45,225 |