

ECMC 2nd Quarter 2024 HB 14-1356 Enforcement Report

Operator	Operator #	NOAV Nos.	NOAV Date	Violations in Order	Penalty (Total)	Penalty Imposed on Defunct and/or Non-Responsive Operator (Y/N)	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
Argonex Company LLC	3990	403174291; 403258250	9/22/2022; 12/13/2022	205.c.; 419.c.	\$74,244	Y	\$74,244	1,364	\$54	N	N	N	N	OFV	Duration Matrix; Suspended Penalty; Financial Assurance Foreclosure	231200365	909	4/25/2024
Bayswater Exploration & Production LLC	10261	402754991	7/21/2021	408.r.	\$2,500	N	0	1	\$2,500	N	N	N	N	AOC	Settlement Inducement	240100007	914	4/16/2024
Bonanza Creek Energy Operating Company LLC	8960	403139431	8/17/2022	417.f.	\$111,500	N	0	90	\$5,000	N	N	N	N	AOC	Settlement Inducement; Duration Matrix	231100345	912	5/1/2024
Civitas Resources Inc.	200642	403368219	5/11/2023	220	\$47,240	N	0	331	\$143	N	N	N	N	AOC	Settlement Inducement; Duration Matrix	240200047	927	5/7/2024
Gilbert-Stewart Operating LLC	34105	402598967	2/12/2021	210.b.	\$21,375	N	0	17	\$2,500	N	N	N	N	AOC	Settlement Inducement	231200379	915	4/3/2024
GRMR Oil & Gas LLC	10524	402453617	8/18/2020	413	\$23,408	N	\$18,408	763	\$200	N	N	N	N	AOC	Settlement Inducement	240200057	925	4/22/2024
Industrial Gas Services, Inc.	42950	403668910; 402668945	4/4/2021; 4/4/2021	605.a.(4); 605.b.(7); 605.d; 907.a.(1); 902.d; 907.a.(1); 1105	\$708,220	Y	\$708,220	1,429	\$496	N	N	N	N	OFV	Settlement Inducement; Duration Matrix	221000256	928	6/5/2024
Manzano, LLC	10082	403165975	9/14/2022	1002.f.(2)	\$185,030	Y	\$185,030	828	\$5,000	N	N	N	N	OFV	Settlement Inducement; Duration Matrix	231000335	910	4/10/2024

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North American Resources Company	63800	403157508	9/7/2022	902; 907	\$770,250	Y	0	645	\$15,000	N	N	N	N	OFV	Settlement Inducement; Duration Matrix	231100347	920	5/13/2024
North Shore Exploration and Production LLC	10724	403258635; 403635867	12/13/2022; 1/4/2024	419.c.; 420	\$4,005,970	N	\$3,859,170	10,930	\$366	N	N	N	N	AOC	Rule Reclassification; Suspended Penalty	240100005	919	5/6/2024
Platinum Gas Properties LLC	10274	403175004	9/22/2022	205	\$3,467	N	0	139	\$25	N	N	N	N	AOC	Settlement Inducement; Duration Matrix	230600209	917	4/29/2024
POC-I, LLC	10386	403258701; 403636195	12/13/2022; 1/4/2024	419.c.	\$1,685,940	N	\$1,625,940	3,498	\$482	N	N	N	N	AOC	Rule Reclassification; Suspended Penalty	240100009	926	6/11/2024
Scout Energy Management LLC	10779	403516775	8/31/2023	903	\$296,737	N	0	377	\$787	N	N	N	N	AOC	Duration Matrix; Settlement Inducement	231200364	924	5/6/2024
West Texas Operating Co, LLC	10560	403331889	2/27/2023	417.f.; 418.a.	\$39,210	N	0	332	\$118	N	N	N	N	AOC	Duration Matrix; Rule Reclassification; Settlement Inducement	231000323	911	5/6/2024

Total Penalties Assessed: \$7,975,091

A. 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.
8. The violation led to death or serious injury.

B. 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.