

COGCC 1st Quarter 2014 HB 14-1356 Report

Operator	Operator #	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
Bonanza Creek Energy Operating Company LLC	8960	4/10/2013	200378031; 200378034; 200378035; 200378036; 200378051; 200378063; 200378068; 200378032; 200378037; 200378033; 200378065; 200378066; 200378070	308B (4 wells); 311 (5 wells); 316B. (7 wells) 326.b.1 (1 well)	\$26,000		26	\$1,000	None	3, 5, 6, 7	No	No	AOC	Statutory maximum for violations pursued. Mitigating factors applied to consolidation of violations.	1403-OV-16	450	3/17/2014
Coral Production Corp	20275	1/21/2014	1897820	317.d	\$1,000		1	\$1,000	None	None	No	No	AOC	Statutory Maximum	1403-OV-20	454	3/17/2014
Great Western Operating Company LLC	10110	1/22/2014	200394013	326.b.1. (1 well)	\$7,500		10	\$750	None	None	No	No	AOC	25% discount from statutory maximum as settlement inducement	1403-OV-23	452	3/17/2014
Gryenberg Petroleum Company	36200	10/13/2011	200325768	326.b.1. (1 well)	\$10,000	\$5,000	10	\$1,000	None	None	No	No	AOC	Statutory Maximum; with 50% suspended for incentive for ongoing compliance	1403-OV-12	449	3/17/2014
Gryenberg Petroleum Company	36200	2/3/2012 & 7/12/2013	200339700; 200382922	309; 310; 312	\$50,000	\$25,000	130	\$385	None	None	No	No	AOC	50% suspended for incentive for ongoing compliance	1403-OV-05	451	3/17/2014
Hyndrex Resources	42640	3/3/2011	200299302; 200382921	906; 1004.a; 1103	\$30,000	\$15,000	30	\$1,000	None	None	No	No	AOC	Statutory Maximum; with 50% suspended for incentive for ongoing compliance	1401-OV-01	447	3/17/2014
Hyndrex Resources	42640	1/8/2014	200393531	326.b.1.	\$16,000		20	\$800	None	None	No	No	AOC	20% discount from statutory maximum as settlement inducement	1403-OV-08	453	3/17/2014
McElvain Energy Inc.	55575	1/22/2014	200393595	326.b.1. (1 well)	\$7,500		10	\$750	None	None	No	No	AOC	25% discount from statutory maximum as settlement inducement	1403-OV-22	448	3/17/2014
Noble Energy Inc.	100322	11/25/2013	200389608	Section 34-60-121(1) C.R.S.	\$10,000		10	\$1,000	None	None	No	No	AOC	Statutory Maximum	1310-OV-43	441	1/27/2014
Stehle Oil Company	82440	7/12/2013	200382924	309 (5 wells)	\$50,000	\$45,000	50	\$1,000	None	None	No	No	AOC	Statutory Maximum; with 90% suspended for incentive for ongoing compliance	1401-OV-02	444	1/27/2014
Walter S. Fees Jr. & Son	29470	3/26/2012	200344232; 200344233; 200344234	326.b.1 (3 wells)	\$25,000		30	\$8,333	None	None	No	No	AOC	17% discount from Statutory Maximum for settlement inducement	1403-OV-13	445	3/17/2014
Western Operating Company	95620	12/13/2013	200392590	905.b.; 907.a.; 909	\$25,000		30	\$8,333	None	3	No	No	AOC	17% discount from Statutory Maximum for mitigation credit and settlement inducement	1403-OV-04	446	3/17/2014

Total Penalties Imposed

\$258,000

Aggravating factors.

- (1) The violation was intentional or reckless.
- (2) The violation had a significant negative impact, or threat of significant negative impact, on the environment or on public health, safety, or welfare.
- (3) The violation resulted in significant waste of oil and gas resources.
- (4) The violation had a significant negative impact on correlative rights of other parties.
- (5) The violation resulted in or threatened to result in significant loss or damage to public or private property.
- (6) The violation involved recalcitrance or recidivism upon the part of the violator.
- (7) The violation involved intentional false reporting or recordkeeping.
- (8) The violation resulted in economic benefit to the violator, including the economic benefit associated with noncompliance with the applicable rule, in which case the amount of such benefit may be taken into consideration.
- (9) The violation results in significant, avoidable loss of wildlife or wildlife resources, including the ability of the land to produce vegetation supportive of wildlife.

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 violator cooperated with the Commission, or other agencies with respect to the violation.
- (4) The cause(s) of the violation was (were) outside of the violator's reasonable control and responsibility, or is (are) customarily considered to be force majeure.
- (5) The violator made a good faith effort to comply with applicable requirements prior to the Commission learning of the violation.
- (6) The cost of correcting the violation reduced or eliminated any economic benefit to the violator.
- (7) The violator has demonstrated a history of compliance with Commission rules, regulations and orders.