

COGCC 2nd Quarter 2015 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
1 Benchmark Energy LLC	10380	8/1/2014	200409785	906.a.; 906.b.(1)A (Verbal Reporting); 906.b. (Written Reporting); 907.b.	\$28,400		260	\$109	None	None	No	No	AOC	Consolidation of R 906 Violations; duration matrix; Ability to pay	150300138	496	4/13/15
2 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	No	No	AOC	Policy Table Value with Duration Matrix	150500190	501	5/18/2015
3 Bonanza Creek Energy Operating Company LLC	8960	8/14/2003	200384809	326.a.(5)	\$7,500		10	\$750	None	6	No	No	AOC	Settlement inducement	150500142	503	5/18/2015
4 Charles P. Dunning LLC	200077	2/2/2015	200422682	308A.; 309	\$2,000	(-\$5000)	2	\$1,000	None	None	No	No	AOC	Statutory Maximum/ Revocation of \$5,000 of prior suspended penalty (Total Order penalty \$7,000)	150500257	504	5/18/2015
5 CM Production LLC	10352	12/5/2013; 3/18/2014	200390913; 200390941; 200399090	909 (2 Violations); 902.b; 907.a; 907.e; 1002.f.(2)	\$60,000	\$15,000	60	\$1,000	None	None	No	No	AOC	Statutory Maximum	1404-OV-19 / 150300191	507	5/18/2015
6 Fritzier Resources, Inc.	31257	8/1/2014	200409794	210.b.(1); 1002.f.; 1003.d.; 1003.e.	\$30,000		40	\$750	None	None	No	No	AOC	Consolidation/ Settlement Inducement	150500148	506	5/18/2015
7 Genesis Gas & Oil Colorado LLC	10384	2/23/15	200425172; 200425173; 200425174	326.c (3 violations)	\$24,000		30	\$800	None	None	No	No	AOC	Settlement inducement	150400259	499	4/13/15
8 Great Western Operating Company LLC	10110	11/3/14	200414097	912.b; 912.e.; 805.b.(3)A.	\$12,250		6	\$2,042	None	2	No	No	AOC	Rule Reclassification/ Settlement Inducement	150300149	498	4/13/15
9 High Plains Disposal Inc	110258	2/11/2015	200423839	318A.f	\$2,000		1	\$2,000	None	None	No	No	AOC	Settlement inducement	150500260	500	5/18/2015
10 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		44	\$966	None	None	No	No	AOC	Settlement Inducement	150500150	510	5/18/2015
11 Kerr McGee Oil & Gas Onshore LP	47120	9/4/2014; 1/28/2015 (2)	200411687; 200422240; 200422221	318A.f; 1002.f.(2)F (2 violations)	\$6,000		3	\$2,000	None	None	No	No	AOC	Policy Table Value	150500261	502	5/18/2015
12 K P Kauffman Company Inc	46290	7/21/2014	400648213	303.b.(1)B; 605.a.(5); 912.d	\$13,000		12	\$1,083	None	None	No	No	AOC	Statutory Maximum/Policy Table Value	1409-OV-66	478	5/18/2015
13 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; 200419078	Order 112-85 (4 violations); 317.e.; 605.b.(7)	\$52,500		51	\$1,029	None	None	No	No	OFV	Statutory Maximum/ Policy Table Value	150500158	509	5/18/2015
14 Red Mesa Holdings/O&G LLC	10254	4/8/2015	2559011	707.a	\$59,800		346	\$173	None	None	No	No	OFV	Policy Table Value with Duration Matrix	150500338	508	5/18/2015
15 Sovereign Operating Company LLC	10383	4/13/2015	200429283	707.a	\$59,800	\$59,800	346	\$173	None	2	No	No	AOC	Policy Table Value with Duration Matrix	150500342	505	5/18/2015

Total Penalties Imposed

\$1,173,000

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.

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.