



COLORADO
Oil & Gas Conservation
Commission

Department of Natural Resources

1120 Lincoln Street, Suite 801
Denver, CO 80203

www.colorado.gov/cogcc

WARNING LETTER # 402188551

09/25/2019

GUNNISON ENERGY LLC (# 10515)

JESSICA DONAHUE

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1801 BROADWAY #1150

DENVER, CO 80202

DGU Federal 1289 17-13 CS2 (API# 051-06127)

NWSW, 17, 12S, 89W, GUNNISON

This Warning Letter is to inform you that GUNNISON ENERGY LLC (“Operator”) may be in violation of the rules and regulations of the Colorado Oil and Gas Conservation Commission (“COGCC”) and corrective action is required.

COGCC has reasonable cause to believe that Operator has committed one or more violations of the Oil and Gas Conservation Act, or of a rule, regulation, or order of the Commission, or of a permit issued by the Commission. Operator is required to comply with this Warning Letter by the **Corrective Action Deadline Date(s)** to resolve the alleged violation(s). Failure to do so will result in the issuance of a Notice of Alleged Violation and initiation of enforcement proceedings in which COGCC will seek monetary penalties for the alleged violations pursuant to § 34-60-121, C.R.S. and Rule 523, COGCC Rules of Practice and Procedure, 2 CCR 404-1.

Alleged Violation(s) and Required Corrective Action(s):

308A Drilling Completion Report

Violation Date: 09/25/2019

Violation Discovery Date: 09/25/2019

Description of Alleged Violation: Operator is receiving this letter because, based on COGCC records, COGCC has reason to believe the Well(s) indicated above and/or in the attached table presents one or more compliance issues. Operator should review its records to verify if any Drilling Completion Reports (“Form 5”), are outstanding for the Well.

Pursuant to Rule 308A.a, if drilling is suspended prior to reaching total depth and does not recommence within 90 days, Operator is required to submit a Preliminary Form 5 within the next 10 days. The Preliminary Form 5 shall include the information indicated in Rule 308A.a.(2). Pursuant to Rule 308A.b., Operator is required to submit a Final Form 5 within 60 days of rig release after drilling, sidetracking, or deepening a well to total depth (or within 60 days of such rig release after the last well drilled in continuous, sequential drilling of multiple wells on a pad). The Final Form 5 shall include the information indicated in Rule 308A.b.(2).

If drilling has been suspended and Operator has not submitted a Preliminary Form 5 within 100 days of drilling suspension, or if the drill rig has been released and Operator has not submitted a Final Form 5



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within 60 days of rig release, Operator violated Rule 308A.

Required Corrective Action: Operator shall submit any delinquent forms, notices, or reports; and correct any incomplete or inaccurate reports. Operator shall send an email to the COGCC Representative indicated below, confirming that all required Form 5s are submitted, accurate, and up-to-date; and detailing an internal procedure for timely compliance with Rule 308A. in the future. Operator shall reference this Warning Letter document number in the subject of the email.

Corrective Action Deadline Date: 10/31/2019

How to Comply with Warning Letter:

Operator shall complete the Required Corrective Action(s) above within the deadline(s) provided. Upon completion of the Corrective Action(s), Operator shall provide notice and evidence of completion to the COGCC staff identified below by the Corrective Action Deadline Date(s):

COGCC Representative: Deborah Abrams

Title: Engineering Tech

Phone Num: (303) 894-2100x5158

Email: deborah.abrams@state.co.us

If you have any questions about this Warning Letter, please contact the COGCC Representative identified above.

Failure to Comply with Warning Letter:

If Operator fails to perform Required Corrective Action(s) on or before the Corrective Action Deadline Date(s) stated above COGCC will issue a Notice of Alleged Violation and seek penalties pursuant to § 34-60-121, C.R.S. and Rule 523, COGCC Rules of Practice and Procedure, 2 CCR 404-1.

Disclaimers:

If the alleged violation(s) in this Warning Letter are the subject of previously issued Notice(s) of Alleged Violation ("NOAV") or Enforcement Order(s) ("Order"), Operator's obligations and the corrective actions and deadlines in such NOAV or Order stand and are not affected by this Warning Letter.

If issued in error, the Enforcement Unit reserves the right to rescind this Warning Letter prior to the COGCC Representative's receipt of Operator's notice and evidence of completion of the Corrective Action.

All well data, rules and forms are available on our website at www.colorado.gov/cogcc.

Sincerely,

Deborah Abrams
Engineering Tech

Attachments

View Attachments in Imaged Documents on COGCC website <http://ogccweblink.state.co.us/> Search by Document Number.



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Document Number **Description**

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Total Attach: 0 Files