

State of Colorado
Energy & Carbon Management Commission

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Date Issued:
08/07/2025
Date Resolved:

NOTICE OF ALLEGED VIOLATION - ISSUED

Per Rule 523, the Director has reasonable cause to believe that a violation of the Act, or of any Commission rule, order, or permit has occurred, the Director will require the operator to remedy the violation and may commence an enforcement action seeking penalties by issuing a Notice of Alleged Violation (NOAV). Per Rule 525, an operator who violates the Act, or a Commission rule, order, or permit may be subject to a penalty imposed by Commission order.

OPERATOR INFORMATION

ECMC Operator Number: 10515
Name of Operator: GUNNISON ENERGY LLC
Address: 999 18TH STREET SUITE 1755N
City: DENVER State: CO Zip: 80202
Contact Name and Telephone:
Name: TYSON JOHNSTON
Phone: (303) 296-8807 Fax: ()
Email: tyson.johnston@oxbow.com

Well Location, or Facility Information (if applicable):

API Number: 05- - -00 Facility or Location ID: 427218
Name: DGU Federal 1289 Number: Section 18 Pad
QtrQtr: SWNE Sec: 18 Twp: 12S Range: 89W Meridian: 6
County: GUNNISON

ALLEGED VIOLATION

Rule: 210.
Rule Description: Corrective Action
Initial Discovery Date: 07/10/2023 Was this violation self-reported by the operator? No
Date of Violation: 07/10/2023 Approximate Time of Violation: _____
Was this a discrete violation of obvious duration? Unknown

Description of Alleged Violation:

Pursuant to Rule 210, the Director or Commission will require correction of any condition necessary to protect and minimize adverse impacts to public health, safety, welfare, the environment, and wildlife resources. The Director or Commission may exercise its discretion to set forth the manner in which the condition is to be remedied.

On July 10, 2023, ECMC Staff conducted an inspection (document no. 696205086) of the Gunnison Energy LLC ("Operator") DGU Federal 1289 18 Pad ("Location") and observed tears and holes within the secondary containment liner. Staff required Operator to install or repair the secondary containment measure to ensure the liner is sufficiently impervious to contain a spill or release.

On September 7, 2023, Operator submitted a Field Inspection Report Resolution Form (document no. 403520540, "FIRR") stating corrective actions had been completed.

ECMC Staff conducted follow-up inspections on May 20, 2024, (document no. 696205828), October 31, 2024 (document no. 696206393) and May 6, 2025 (document no. 718100511) of the Location, and each time observed that corrective actions to maintain or repair the secondary containment liner were not completed by Operator. As of May 6, 2025, tears and holes remain within the secondary containment liner.

Operator failed to repair or install berms, or other secondary containment devices at the tank battery facility, in response to corrective actions issued by staff, violating Rule 210.

Abatement or Corrective Action Required to be Performed by Operator:

Corrective Action Due Date: 08/15/2025

Proper and timely abatement does not preclude the assessment of penalties and an Order Finding Violation.

Operator will comply with 210 and install or repair the secondary containment to ensure the BMP is sufficiently impervious to contain a spill or release.

PENALTY

Penalties for violations alleged in this NOAV will be calculated pursuant to Rule 525, with daily penalties accruing pursuant to Section 34-60-121(1), C.R.S.

ANSWER

Pursuant to Rule 523.c.(2), the operator must file an Answer to this NOAV within 28 days of its receipt, or a default judgment may be entered. Answers are filed by email to dnr_ecmc_enforcement@state.co.us.

NOAV ISSUED

NOAV Issue Date: 08/07/2025

ECMC Representative Signature: _____

ECMC Representative: Trent Lindley

Title: NOAV Specialist

Email: trent.lindley@state.co.us

Phone Num: (720) 765-0031

CORRECTIVE ACTION COMPLETED

Rule: 210.

Rule Description: Corrective Action

Corrective Action Start Date: _____

Corrective Action Complete Date: _____

Has corrective action for this violation been performed as required? _____

Description of Actual Corrective Action Performed by Operator

FINAL RESOLUTION

Cause #: _____ Order #: _____ Docket #: _____

Enforcement Action: _____

Final Resolution Date: _____

Final Resolution Comments:

ATTACHMENT LIST

View Attachments in Imaged Documents on ECMC website (<http://ecmcweblink.state.co.us/>) - Search by Document Number.

<u>Document Number</u>	<u>Description</u>
404309072	NOAV CERTIFIED MAIL RECEIPT
404309077	NOAV ISSUED

Total Attach: 2 Files