



Cambell Hawkins
Vice President – Colorado Utilities

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May 18, 2026

VIA E-MAIL

Mr. Robert Burrough
Director, Eastern Region
Pipeline and Hazardous Materials Safety Administration
840 Bear Tavern Road, Suite 300
West Trenton, NJ 08628
Robert.Burrough@dot.gov

RE: Notice of Probable Violation – March 17, 2026
CPF 1-2026-037-NOPV

Dear Mr. Burrough:

This letter is in response to the Notice of Probable Violation (“NOPV”) issued to Rocky Mountain Natural Gas LLC (“RMNG” or the “Company”) following the August 2025 inspection of the Wolf Creek Underground Natural Gas Storage Facility. RMNG appreciates the Pipeline and Hazardous Materials Safety Administration’s (“PHMSA’s”) review and the opportunity to respond. RMNG looks forward to working cooperatively with PHMSA to address the concerns raised and discuss Company processes.

RMNG is committed to safe and compliant operations. As outlined in further detail below, while the Company did not have the requested documentation readily available at the time of inspection, the Company retains the necessary records and is in compliance with all PHMSA requirements. The Company has taken appropriate measures to make these documents more readily accessible for future requests and/or inspections.

RMNG responds to each item raised in the NOPV by restating each item below followed by RMNG’s response. Additionally, the Company is attaching the relevant documentation for your review.

Item 1 – Annual Wellhead Leak Inspections

PHMSA Finding:

RMNG failed to visually inspect each wellhead assembly at least annually for leaks in accordance Section 9.3.2 in API RP 1171 in 2021, 2022, 2023, 2024, and 2025. During the inspection, RMNG failed to provide records of the visual inspections of each wellhead assembly at least annually for leaks for calendar years 2021, 2022, 2023, 2024, and 2025.

RMNG Response:

RMNG performed leak inspections during routine well site visits conducted quarterly or more frequently. In addition, RMNG implemented Lidar-based leak detection surveys across all well pads during the 2021–2025 period. These activities included identification and resolution of any detected leaks.

At the time of inspection the Company was unable to provide records of annual wellhead leak inspections; however, these inspections were completed, documented, and are provided with this response letter. See folder titled “1.Lidar Records”.

RMNG contends that it complied with the requirements in API RP 1171 (1st edition), section 9, in accordance with section 192.12(b)(2) by visually inspecting wellhead assemblies at least annually and asserts that the proposed civil penalty for this proposed violation should be eliminated.

Item 2 – Surface and Subsurface Safety Valve Testing**PHMSA Finding:**

RMNG failed to function-test surface and subsurface safety valve systems at least annually from 2021–2025 in accordance with section 9.3.2 in API RP 1171. During the inspection, RMNG failed to provide records demonstrating that surface valves installed on eight wells and subsurface safety valve systems installed on all ten wells were function-tested at least annually from 2021 through 2025.

RMNG Response:

RMNG conducted valve testing as part of routine operations that occurred at least annually. The identified issue resulted from incomplete migration of valve records during transition from Company’s legacy compliance management systems to the current management system.

At the time of inspection the company was unable to provide records of surface and subsurface safety valve testing; however, this testing was completed, documented, and are provided with this response letter. See folder titled “2.Maintenance Records”.

RMNG contends that it complied with the requirements in API RP 1171 (1st edition), section 9, in accordance with section 192.12(b)(2) by function testing surface and subsurface safety valve systems at least annually and asserts that the proposed civil penalty for this proposed violation should be eliminated.

Item 3 – Annular Pressure Monitoring

PHMSA Finding:

RMNG failed to monitor for the presence of annular gas by measuring and recording annular pressure and/or annular gas flow at least quarterly and failed to maintain records indicating that each annular gas occurrence that exceeded operator-defined threshold levels was evaluated in accordance with its Operations and Maintenance Manual 30 (01/13/2023) (O&M 30) and section 9.3.2. in API RP 1171 (1st edition). During the inspection, RMNG failed to provide records demonstrating it had monitored for the presence of annular gas by measuring and recording annular pressure and/or annular gas flow quarterly between 2021 and Eastern Region's inspection. RMNG also failed to provide records of the evaluation of each annular gas occurrence that exceeded operator-defined threshold levels.

RMNG Response:

RMNG collected annular pressure data through routine site visits, annual state-required testing, and SCADA monitoring systems in ten-minute intervals. Real-time monitoring of surface casing annulus conditions had been implemented, enabling prompt identification and response.

At the time of inspection the Company was unable to provide the SCADA annulus pressure export and bradenhead testing reports. However, the Company both monitors and documents annular pressure more often than the required quarterly interval. The relevant documentation is provided with this response letter. See folder titled "3.Annulus Pressures".

RMNG contends that it followed its manual of written procedures for conducting operations, maintenance, and emergency preparedness and response activities in accordance with section 192.12(c) by monitoring for the presence of annular gas by measuring and recording annular pressure and/or annular gas flow at least quarterly and maintaining records indicating that each annular gas occurrence that exceeded operator-defined threshold levels was evaluated in accordance with its *Operations and Maintenance Manual 30* (01/13/2023)(O&M 30) and section 9.3.2 in API RP 1171 (1st edition). RMNG asserts that the proposed civil penalty for this proposed violation should be eliminated.

Item 4 – Master Valve and Wellhead Isolation Valve Testing

PHMSA Finding:

RMNG failed to annually test the master valve and wellhead pipeline isolation valves for proper function and ability to isolate the well from 2021 through 2025 in accordance with section 9.3.2 in API RP 1171. During the inspection, RMNG failed to provide records for all 10 wells demonstrating that the master valves and wellhead pipeline isolation valves were tested for proper function and ability to isolate the well.

RMNG Response:

Valve testing was conducted as part of routine operations that occurred at least annually. The identified issue resulted from incomplete migration of valve records during transition from the Company's legacy compliance management systems to the current management system.

At the time of inspection the Company was unable to provide records of master valve and wellhead isolation valve testing; however, this testing was completed, documented, and is provided with this response letter. See folder titled "2.Maintenance Records".

RMNG contends that it complied with the requirements in API RP 1171 (1st edition), section 9, in accordance with section 192.12(b)(2) by annually testing the master valve and wellhead pipeline isolation valves for proper function and ability to isolate the well and asserts that the proposed civil penalty for this proposed violation should be eliminated. RMNG further asserts that as RMNG has complied with the above referenced requirements, the Proposed Compliance Order with respect to this Item 4 is unnecessary and should be eliminated.

Conclusion

RMNG takes its obligation with respect to safety very seriously. RMNG has attached supporting documentation. In light of RMNG's responses and attachments, RMNG respectfully requests that all items in the NOPV be considered accounted for and since the proposed violation of the above referenced requirements were not triggered, the Proposed Civil Penalties should not be assessed in this case. RMNG respectfully requests fines be waived and the Proposed Compliance Order be eliminated. RMNG is hopeful that the parties can reach a mutually satisfactory resolution of this matter and is willing to discuss these proposed violations further in order to resolve this proposed NOPV.

Sincerely,

/s/ Campbell Hawkins

Campbell Hawkins
VP, Colorado Utilities

Enclosures