

<b>FORM INSP</b>  Rev 05/11	<b>State of Colorado</b> <b>Oil and Gas Conservation Commission</b> <small>1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109</small>		DE	ET	OE	ES														
						Inspection Date: <u>02/19/2013</u>														
						Document Number: <u>668400952</u>														
						Overall Inspection: <u>Satisfactory</u>														
<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:15%;">Location Identifier</td> <td style="width:15%;">Facility ID</td> <td style="width:15%;">Loc ID</td> <td style="width:15%;">Tracking Type</td> <td colspan="3">Inspector Name: <u>BROWNING, CHUCK</u></td> </tr> <tr> <td></td> <td><u>289176</u></td> <td><u>334442</u></td> <td></td> <td colspan="3"></td> </tr> </table>							Location Identifier	Facility ID	Loc ID	Tracking Type	Inspector Name: <u>BROWNING, CHUCK</u>				<u>289176</u>	<u>334442</u>				
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	<u>289176</u>	<u>334442</u>																		

**Operator Information:**

OGCC Operator Number: 10433 Name of Operator: PICEANCE ENERGY LLC

Address: 1512 LARIMER STREET #1000

City: DENVER State: CO Zip: 80202

**Contact Information:**

Contact Name	Phone	Email	Comment
Browning, Chuck	970-433-4139	chuck.browning@state.co.us	Field Inspector
Bankert, Wayne	970-812-5310	wbankert@laramie-energy.com	Senior Regulatory & Environmental Coordinator

**Compliance Summary:**

QtrQtr: NESW Sec: 4 Twp: 10S Range: 93W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Unsatisfactory	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
04/10/2012	668400084	PR	PR	S	P		N
07/17/2009	200215427	PR	PR	S			N
07/17/2009	200215426	PR	PR	S			N
04/06/2007	200109219	PR	ND	S	I	P	N
03/30/2007	200117060	ES	AO	U			Y

**Inspector Comment:**

4 Wellheads, 1-quad separator, Meter, Combustor, 4-300 bbl steel tanks w/ metal/lined berms & 2-300 bbl steel tanks w/ metal/lined berms.

**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	
289176	WELL	PR	01/21/2008	GW	077-09238	VEGA UNIT 4-241	X
293964	WELL	PR	12/14/2007	GW	077-09461	VEGA 4-331	X
293988	WELL	PR	12/18/2007	GW	077-09464	VEGA 4-231	X
293989	WELL	PR	12/18/2007	GW	077-09465	VEGA 4-234	X
298297	WELL	XX	01/08/2013	LO	077-09753	Vega 4-223	
299161	WELL	XX	01/08/2013	LO	077-09787	Vega 4-324	
299352	WELL	XX	01/08/2013	LO	077-09799	Vega 4-134	
299353	WELL	XX	01/08/2013	LO	077-09800	Vega 4-132	
299354	WELL	XX	01/08/2013	LO	077-09801	Vega 4-224	
299355	WELL	XX	01/08/2013	LO	077-09802	Vega 4-131	
299356	WELL	XX	01/08/2013	LO	077-09803	Vega 4-222	
299357	WELL	XX	01/08/2013	LO	077-09804	Vega 4-221	
299524	WELL	XX	01/08/2013	LO	077-09812	Vega 4-133	

299525	WELL	XX	01/08/2013	LO	077-09813	Vega 4-141	
299526	WELL	XX	01/08/2013	LO	077-09814	Vega 4-143	
299527	WELL	XX	01/08/2013	LO	077-09815	Vega 4-232	
299528	WELL	XX	01/08/2013	LO	077-09816	Vega 4-233	
299529	WELL	XX	01/08/2013	LO	077-09817	Vega 4-142	
299530	WELL	XX	01/08/2013	LO	077-09818	Vega 4-144	

**Equipment:** Location Inventory

Special Purpose Pits: _____	Drilling Pits: _____	Wells: _____	Production Pits: _____
Condensate Tanks: _____	Water Tanks: _____	Separators: _____	Electric Motors: _____
Gas or Diesel Mortors: _____	Cavity Pumps: _____	LACT Unit: _____	Pump Jacks: _____
Electric Generators: _____	Gas Pipeline: _____	Oil Pipeline: _____	Water Pipeline: _____
Gas Compressors: _____	VOC Combustor: _____	Oil Tanks: _____	Dehydrator Units: _____
Multi-Well Pits: _____	Pigging Station: _____	Flare: _____	Fuel Tanks: _____

**Location**

**Lease Road:**

Type	Satisfactory/Unsatisfactory	comment	Corrective Action	Date
Main	Satisfactory			
Access	Satisfactory			

**Signs/Marker:**

Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
WELLHEAD	Satisfactory			
BATTERY	Satisfactory			
TANK LABELS/PLACARDS	Satisfactory			

Emergency Contact Number: (S/U/V) Satisfactory Corrective Date: \_\_\_\_\_  
 Comment: \_\_\_\_\_  
 Corrective Action: \_\_\_\_\_

**Spills:**

Type	Area	Volume	Corrective action	CA Date
<input type="checkbox"/> Multiple Spills and Releases?				

**Fencing/:**

Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
WELLHEAD	Satisfactory			

**Equipment:**

Type	#	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
Horizontal Heated Separator	4	Satisfactory			
Emission Control Device	1	Satisfactory			
Pig Station	1	Satisfactory			

<b>Facilities:</b>		<input type="checkbox"/> New Tank	Tank ID: _____	
Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	2	300 BBLS	STEEL AST	,
S/U/V:	Satisfactory		Comment:	
Corrective Action:				Corrective Date:
<u>Paint</u>				
Condition	Adequate			
Other (Content)	_____			
Other (Capacity)	_____			
Other (Type)	_____			
<u>Berms</u>				
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal	Adequate	Walls Sufficient	Base Sufficient	Adequate
Corrective Action				Corrective Date
Comment				

<b>Facilities:</b>		<input type="checkbox"/> New Tank	Tank ID: _____	
Contents	#	Capacity	Type	SE GPS
CONDENSATE	4	300 BBLS	STEEL AST	,
S/U/V:	Satisfactory		Comment:	
Corrective Action:				Corrective Date:
<u>Paint</u>				
Condition	Adequate			
Other (Content)	_____			
Other (Capacity)	_____			
Other (Type)	_____			
<u>Berms</u>				
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal	Adequate	Walls Sufficient	Base Sufficient	Adequate
Corrective Action				Corrective Date
Comment				

<b>Venting:</b>	
Yes/No	Comment
NO	

<b>Flaring:</b>				
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date

**Predrill**

Location ID: 334442

**Site Preparation:**

Lease Road Adeq.: \_\_\_\_\_ Pads: \_\_\_\_\_ Soil Stockpile: \_\_\_\_\_  
 Corrective Action: \_\_\_\_\_ Date: \_\_\_\_\_ CDP Num.: \_\_\_\_\_

**Form 2A COAs:**

**Comment:** \_\_\_\_\_

**CA:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Wildlife BMPs:**

**Comment:** \_\_\_\_\_

**CA:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Stormwater:**

Erosion BMPs	Present	Other BMPs	Present

Corrective Action: \_\_\_\_\_ Date: \_\_\_\_\_

Comments: Erosion BMPs: \_\_\_\_\_  
 Other BMPs: \_\_\_\_\_

**Comment:** \_\_\_\_\_

**Staking:**

**On Site Inspection (305):**

Surface Owner Contact Information:

Name: \_\_\_\_\_ Address: \_\_\_\_\_  
 Phone Number: \_\_\_\_\_ Cell Phone: \_\_\_\_\_

Operator Rep. Contact Information:

Landman Name: \_\_\_\_\_ Phone Number: \_\_\_\_\_  
 Date Onsite Request Received: \_\_\_\_\_ Date of Rule 306 Consultation: \_\_\_\_\_

Request LGD Attendance: \_\_\_\_\_

LGD Contact Information:

Name: \_\_\_\_\_ Phone Number: \_\_\_\_\_ Agreed to Attend: \_\_\_\_\_

Summary of Landowner Issues:

\_\_\_\_\_

Summary of Operator Response to Landowner Issues:

\_\_\_\_\_

Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:

\_\_\_\_\_

**Facility**

Facility ID: 289176 Type: WELL API Number: 077-09238 Status: PR Insp. Status: PR

**Producing Well**

Comment: 4 Wellheads, 1-quad separator, Meter, Combustor, 4-300 bbl steel tanks w/ metal/lined berms & 2-300 bbl steel tanks w/ metal/lined berms.

Facility ID: 293964 Type: WELL API Number: 077-09461 Status: PR Insp. Status: PR

**Producing Well**

Comment: 4 Wellheads, 1-quad separator, Meter, Combustor, 4-300 bbl steel tanks w/ metal/lined berms & 2-300 bbl steel tanks w/ metal/lined berms.

Facility ID: 293988 Type: WELL API Number: 077-09464 Status: PR Insp. Status: PR

**Producing Well**

Comment: 4 Wellheads, 1-quad separator, Meter, Combustor, 4-300 bbl steel tanks w/ metal/lined berms & 2-300 bbl steel tanks w/ metal/lined berms.

Facility ID: 293989 Type: WELL API Number: 077-09465 Status: PR Insp. Status: PR

**Producing Well**

Comment: 4 Wellheads, 1-quad separator, Meter, Combustor, 4-300 bbl steel tanks w/ metal/lined berms & 2-300 bbl steel tanks w/ metal/lined berms.

**Environmental**

**Spills/Releases:**

Type of Spill: Description: Estimated Spill Volume: Comment: Corrective Action: Date: Reportable: GPS: Lat Long Proximity to Surface Water: Depth to Ground Water:

**Water Well:**

DWR Receipt Num: Owner Name: GPS: Lat Long

**Field Parameters:**

Sample Location:

**Emission Control Burner (ECB):**

Comment: Pilot: Wildlife Protection Devices (fired vessels):

**Reclamation - Storm Water - Pit**

**Interim Reclamation:**

Date Interim Reclamation Started: Date Interim Reclamation Completed:

Land Use:

Comment:

1003a. Debris removed? Pass CM CA CA Date Waste Material Onsite? Pass CM CA CA Date Unused or unneeded equipment onsite? Pass CM CA CA Date Pit, cellars, rat holes and other bores closed? Pass CM

CA \_\_\_\_\_ CA Date \_\_\_\_\_  
 Guy line anchors removed? \_\_\_\_\_ CM \_\_\_\_\_  
 CA \_\_\_\_\_ CA Date \_\_\_\_\_  
 Guy line anchors marked? Pass CM \_\_\_\_\_  
 CA \_\_\_\_\_ CA Date \_\_\_\_\_

1003b. Area no longer in use? Pass Production areas stabilized ? Pass  
 1003c. Compacted areas have been cross ripped? Pass  
 1003d. Drilling pit closed? Pass Subsidence over on drill pit? Pass

Cuttings management: \_\_\_\_\_

1003e. Areas no longer needed for drilling or subsequent operations for have been re-vegetated to 80% of pre-existing? Pass  
 Production areas have been stabilized? Pass Segregated soils have been replaced? \_\_\_\_\_

**RESTORATION AND REVEGETATION**

Cropland

Top soil replaced \_\_\_\_\_ Recontoured \_\_\_\_\_ Perennial forage re-established \_\_\_\_\_

Non-Cropland

Top soil replaced \_\_\_\_\_ Recontoured \_\_\_\_\_ 80% Revegetation \_\_\_\_\_

1003 f. Weeds Noxious weeds? \_\_\_\_\_ P \_\_\_\_\_

Comment: \_\_\_\_\_

Overall Interim Reclamation Pass

**Final Reclamation/ Abandoned Location:**

Date Final Reclamation Started: \_\_\_\_\_ Date Final Reclamation Completed: \_\_\_\_\_

Final Land Use: \_\_\_\_\_

Reminder: \_\_\_\_\_

Comment: \_\_\_\_\_

Well plugged \_\_\_\_\_ Pit mouse/rat holes, cellars backfilled \_\_\_\_\_

Debris removed \_\_\_\_\_ No disturbance /Location never built \_\_\_\_\_

Access Roads Regraded \_\_\_\_\_ Contoured \_\_\_\_\_ Culverts removed \_\_\_\_\_

Gravel removed \_\_\_\_\_

Location and associated production facilities reclaimed \_\_\_\_\_ Locations, facilities, roads, recontoured \_\_\_\_\_

Compaction alleviation \_\_\_\_\_ Dust and erosion control \_\_\_\_\_

Non cropland: Revegetated 80% \_\_\_\_\_ Cropland: perennial forage \_\_\_\_\_

Weeds present \_\_\_\_\_ Subsidence \_\_\_\_\_

Comment: \_\_\_\_\_

Corrective Action: \_\_\_\_\_ Date \_\_\_\_\_

Overall Final Reclamation \_\_\_\_\_ Multi-Well Location

**Storm Water:**

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Berms	Pass	Gravel	Pass	MHSP	Pass	

Inspector Name: BROWNING, CHUCK

S/U/V: Satisfactory                      Corrective Date: \_\_\_\_\_

Comment: \_\_\_\_\_

CA: \_\_\_\_\_