

**FORM INSP**  
Rev 05/11

**State of Colorado  
Oil and Gas Conservation Commission**

1120 Lincoln Street, Suite 801, Denver, Colorado 80203  
Phone: (303) 894-2100 Fax: (303) 894-2109



|    |    |    |    |
|----|----|----|----|
| DE | ET | OE | ES |
|----|----|----|----|

Inspection Date:  
07/03/2014

Document Number:  
675200187

Overall Inspection:  
SATISFACTORY

**FIELD INSPECTION FORM**

|                     |             |        |                 |                          |             |
|---------------------|-------------|--------|-----------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection       | 2A Doc Num: |
|                     | 335525      | 335525 | CONKLIN, CURTIS | <input type="checkbox"/> |             |

**Operator Information:**

|                       |  |
|-----------------------|--|
| OGCC Operator Number: | <u>10433</u>                                     |
| Name of Operator:     | <u>PICEANCE ENERGY LLC</u>                       |
| Address:              | <u>1512 LARIMER STREET #1000</u>                 |
| City:                 | <u>DENVER</u> State: <u>CO</u> Zip: <u>80202</u> |

- THIS IS A FOLLOW UP INSPECTION
- FOLLOW UP INSPECTION REQUIRED
- NO FOLLOW UP INSPECTION REQUIRED
- INSPECTOR REQUESTS FORM 42 WHEN CORRECTIVE ACTIONS ARE COMPLETED

**Contact Information:**

| Contact Name    | Phone          | Email                       | Comment                                       |
|-----------------|----------------|-----------------------------|---|
| Bankert, Wayne  | (970) 683-5419 | wbankert@laramie-energy.com | Senior Regulatory & Environmental Coordinator |
| Kellerby, Shaun |                | shuan.kellerby@state.co.us  |   |

**Compliance Summary:**

|         |             |      |           |      |           |        |            |
|---------|-------------|------|-----------|------|-----------|--------|------------|
| QtrQtr: | <u>SWSW</u> | Sec: | <u>19</u> | Twp: | <u>6S</u> | Range: | <u>93W</u> |
|---------|-------------|------|-----------|------|-----------|--------|------------|

| Insp. Date | Doc Num   | Insp. Type | Insp Status | Satisfactory /Action Required | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|-------------------------------|----------|----------------|-----------------|
| 12/31/2012 | 663800643 |            |             | SATISFACTORY<br>Y             | I        |                | No              |

**Inspector Comment:**

*This inspection in response to complaint in general area DOC#200408561*

**Related Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num   | Facility Name | Insp Status                            |
|-------------|------|--------|-------------|------------|-----------|---------------|--|
| 288702      | WELL | AL     | 09/09/2008  | LO         | 045-13566 | KNAUS 19-55   | AL <input type="checkbox"/>            |
| 288708      | WELL | AL     | 09/09/2008  | LO         | 045-13562 | KNAUS 19-53   | AL <input type="checkbox"/>            |
| 299164      | WELL | AL     | 06/16/2011  | LO         | 045-17581 | KNAUS 19-11C  | AL <input type="checkbox"/>            |
| 299165      | WELL | PR     | 11/22/2009  | GW         | 045-17582 | KNAUS 30-04C  | PR <input checked="" type="checkbox"/> |
| 299168      | WELL | AL     | 06/16/2011  | LO         | 045-17583 | KNAUS 19-14B  | AL <input type="checkbox"/>            |
| 299204      | WELL | PR     | 11/22/2009  | GW         | 045-17608 | KNAUS 30-04A  | PR <input checked="" type="checkbox"/> |

**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**

| <b>Lease Road:</b> |                              |         |                   |      |
|--------------------|------------------------------|---------|-------------------|------|
| Type               | Satisfactory/Action Required | comment | Corrective Action | Date |
| Access             | SATISFACTORY                 |         |                   |      |

| <b>Signs/Marker:</b> |                              |  |                                       |                   |
|----------------------|------------------------------|--|---------------------------------------|-------------------|
| Type                 | Satisfactory/Action Required | Comment  | Corrective Action                     | CA Date           |
| CONTAINERS           | SATISFACTORY                 |  |                                       |                   |
| TANK LABELS/PLACARDS | <b>ACTION REQUIRED</b>       | Methanol tank in conatinment does not have capacity on it. | Install sign to comply with rule 210. | <b>08/04/2014</b> |
| WELLHEAD             | SATISFACTORY                 |  |                                       |                   |

Emergency Contact Number (S/A/V): SATISFACTORY Corrective Date: \_\_\_\_\_

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

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

| <b>Good Housekeeping:</b> |                              |                                       |                   |            |
|---------------------------|------------------------------|---------------------------------------|-------------------|------------|
| Type                      | Satisfactory/Action Required | Comment                               | Corrective Action | CA Date    |
| TRASH                     | <b>ACTION REQUIRED</b>       | Trash on location. See attached photo | Remove            | 08/04/2014 |

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

| <b>Equipment:</b>         |   |                              |                           |                   |         |
|---------------------------|---|------------------------------|---------------------------|-------------------|---------|
| Type                      | # | Satisfactory/Action Required | Comment                   | Corrective Action | CA Date |
| Gas Meter Run             | 1 | SATISFACTORY                 |                           |                   |         |
| Bird Protectors           | 1 | SATISFACTORY                 |                           |                   |         |
| Vertical Heated Separator | 2 | SATISFACTORY                 | No containment            |                   |         |
| Ancillary equipment       | 1 | SATISFACTORY                 | Chem Unit w/ containment  |                   |         |
| Deadman # & Marked        | 3 | SATISFACTORY                 | Only 1 of 3 marked        |                   |         |
| Emission Control Device   | 1 | SATISFACTORY                 | Lit at time of inspection |                   |         |
| Plunger Lift              | 2 | SATISFACTORY                 |                           |                   |         |

|                        |              |                                   |                               |                  |  |
|------------------------|--------------|-----------------------------------|-------------------------------|------------------|--|
| <b>Facilities:</b>     |              | <input type="checkbox"/> New Tank | Tank ID: _____                |                  |  |
| Contents               | #            | Capacity                          | Type                          | SE GPS           |  |
| METHANOL               | 1            |                                   | STEEL AST                     |                  |  |
| S/A/V:                 | SATISFACTORY |                                   | Comment: Capacity not on tank |                  |  |
| 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      |  |
|                        |              |                                   |                               |                  |  |
| Corrective Action      |              |                                   |                               | Corrective Date  |  |
| Comment                |              |                                   |                               |                  |  |

|                          |              |                                   |                     |                  |  |
|--------------------------|--------------|-----------------------------------|---------------------|------------------|--|
| <b>Facilities:</b>       |              | <input type="checkbox"/> New Tank | Tank ID: _____      |                  |  |
| Contents                 | #            | Capacity                          | Type                | SE GPS           |  |
| CONDENSATE               | 3            | OTHER                             | STEEL AST           |                  |  |
| S/A/V:                   | SATISFACTORY |                                   | Comment:            |                  |  |
| Corrective Action:       |              |                                   |                     | Corrective Date: |  |
| <u>Paint</u>             |              |                                   |                     |                  |  |
| Condition                | Adequate     |                                   |                     |                  |  |
| Other (Content) _____    |              |                                   |                     |                  |  |
| Other (Capacity) 250 bbl |              |                                   |                     |                  |  |
| 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/Action Required | Comment | Corrective Action | CA Date |
|                 |                              |         |                   |         |

**Predrill**

Location ID: 335525

**Site Preparation:**

Lease Road Adeq.: \_\_\_\_\_ Pads: \_\_\_\_\_ Soil Stockpile: \_\_\_\_\_

**S/AV:** \_\_\_\_\_

Corrective Action: \_\_\_\_\_ Date: \_\_\_\_\_ CDP Num.: \_\_\_\_\_

**Form 2A COAs:**

**S/AV:** \_\_\_\_\_ **Comment:** \_\_\_\_\_

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

**Wildlife BMPs:**

**S/AV:** \_\_\_\_\_ **Comment:** \_\_\_\_\_

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

**Stormwater:**

**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: 299165 Type: WELL API Number: 045-17582 Status: PR Insp. Status: PR

**Producing Well**

Comment: **PR**

Facility ID: 299204 Type: WELL API Number: 045-17608 Status: PR Insp. Status: PR

**Producing Well**

Comment: **PR**

**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:** \_\_\_\_\_ Lat \_\_\_\_\_ Long \_\_\_\_\_  
 DWR Receipt Num: \_\_\_\_\_ Owner Name: \_\_\_\_\_ GPS : \_\_\_\_\_

**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? \_\_\_\_\_ CM \_\_\_\_\_  
 CA \_\_\_\_\_ CA Date \_\_\_\_\_  
 Waste Material Onsite? \_\_\_\_\_ CM \_\_\_\_\_  
 CA \_\_\_\_\_ CA Date \_\_\_\_\_  
 Unused or unneeded equipment onsite? \_\_\_\_\_ CM \_\_\_\_\_  
 CA \_\_\_\_\_ CA Date \_\_\_\_\_  
 Pit, cellars, rat holes and other bores closed? \_\_\_\_\_ CM \_\_\_\_\_  
 CA \_\_\_\_\_ CA Date \_\_\_\_\_  
 Guy line anchors removed? \_\_\_\_\_ CM \_\_\_\_\_  
 CA \_\_\_\_\_ CA Date \_\_\_\_\_  
 Guy line anchors marked? \_\_\_\_\_ CM \_\_\_\_\_  
 CA \_\_\_\_\_ CA Date \_\_\_\_\_

1003b. Area no longer in use? \_\_\_\_\_ Production areas stabilized ? \_\_\_\_\_  
 1003c. Compacted areas have been cross ripped? \_\_\_\_\_  
 1003d. Drilling pit closed? \_\_\_\_\_ Subsidence over on drill pit? \_\_\_\_\_  
 Cuttings management: \_\_\_\_\_  
 1003e. Areas no longer needed for drilling or subsequent operations for have been re-vegetated to 80% of pre-existing? \_\_\_\_\_  
 Production areas have been stabilized? \_\_\_\_\_ Segregated soils have been replaced? \_\_\_\_\_

RESTORATION AND REVEGETATION  
Cropland

Inspector Name: CONKLIN, CURTIS

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

Non-Cropland

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

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

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

Overall Interim Reclamation \_\_\_\_\_

**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 \_\_\_\_\_ Well Release on Active Location  Multi-Well Location

**Storm Water:**

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Seeding          | Pass            |                         |                       |               |                          |         |
| Berms            | Pass            | Compaction              | Pass                  | MHSP          | Pass                     |         |
| Compaction       | Pass            | Ditches                 | Pass                  |               |                          |         |
| Ditches          | Pass            | Gravel                  | Pass                  |               |                          |         |

S/A/V: SATISFACTOR Corrective Date: \_\_\_\_\_

Y

Comment: Erosion begining on slopes. See attached photo

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

**Pits:**  NO SURFACE INDICATION OF PIT

**COGCC Comments**

| Comment  | User     | Date       |
|--|----------|------------|
| Methanol tank in conatinment does not have capacity on it. Trash on location. Erosion on cut slopes. See attached photo. Conductor not marked, see inspection DOC#675200193. | conklinc | 07/03/2014 |

**Attached Documents**

You can go to COGCC Images (<https://cogcc.state.co.us/weblink/>) and search by document number:

| Document Num | Description | URL   |
|--------------|-------------|---|
| 675200196    | Photos      | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3381378">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3381378</a> |