

**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

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Inspection Date:

09/03/2014

Document Number:

675200484

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	334467	334467	CONKLIN, CURTIS	<input type="checkbox"/>	

Operator Information:OGCC Operator Number: 10433Name of Operator: PICEANCE ENERGY LLCAddress: 1512 LARIMER STREET #1000City: DENVER State: CO Zip: 80202

- ☐ 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	NW Supervisor

Compliance Summary:QtrQtr: SWSE Sec: 26 Twp: 9S Range: 93W**Inspector Comment:****Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
293207	WELL	PR	10/31/2007	GW	077-09441	NVEGA 26-331	PR	<input checked="" type="checkbox"/>
293208	WELL	AL	04/14/2009	LO	077-09442	NVEGA 26-444	AL	<input type="checkbox"/>
293209	WELL	AL	03/06/2009	LO	077-09443	NVEGA 26-441	AL	<input type="checkbox"/>
293210	WELL	PR	10/31/2007	GW	077-09444	NVEGA 26-244	PR	<input checked="" type="checkbox"/>
293211	WELL	PR	10/31/2007	GW	077-09445	NVEGA 26-341	PR	<input checked="" type="checkbox"/>
293212	WELL	PR	10/31/2007	GW	077-09446	NVEGA 35-311	PR	<input checked="" type="checkbox"/>
293333	WELL	AL	04/15/2009	LO	077-09451	NVEGA 26-234	AL	<input type="checkbox"/>
293877	WELL	PR	12/05/2007	GW	077-09460	N VEGA 26-324	PR	<input checked="" type="checkbox"/>
293986	WELL	AL	04/15/2009	LO	077-09462	NVEGA 35-314	AL	<input type="checkbox"/>
293987	WELL	PR	12/18/2007	GW	077-09463	N VEGA 26-334	PR	<input checked="" type="checkbox"/>
294130	WELL	PR	12/28/2007	GW	077-09466	NVEGA 26-344	PR	<input checked="" type="checkbox"/>

Equipment:Location Inventory

Inspector Name: CONKLIN, CURTIS

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/Action Required	comment	Corrective Action	Date
Access	SATISFACTORY	Erosion at entrance. See stormwater section.		

Signs/Marker:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
TANK LABELS/PLACARDS	ACTION REQUIRED	Incorrect NFPA signs on tanks.	Install sign to comply with rule 210.	09/12/2014
WELLHEAD	SATISFACTORY			

Emergency Contact Number (S/A/V): SATISFACTORY

Corrective Date: _____

Comment: Nearest public access road not listed

Corrective Action:

Spills:

Type	Area	Volume	Corrective action	CA Date
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☐ Multiple Spills and Releases?

Fencing/:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
WELLHEAD	SATISFACTORY	Panels		

Equipment:

Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Bird Protectors	4	SATISFACTORY			
Gas Meter Run	1	SATISFACTORY			
Plunger Lift	7	SATISFACTORY			
Emission Control Device	1	SATISFACTORY	Not lit at time of inspection.		
Horizontal Heated Separator	8	SATISFACTORY	No containment		

Facilities:		<input type="checkbox"/> New Tank	Tank ID: _____	
Contents	#	Capacity	Type	SE GPS
METHANOL	1	<50 BBLS	STEEL AST	,
S/A/V:	SATISFACTORY		Comment:	
Corrective Action:			Corrective Date:	

Paint

Condition	
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Other (Content) _____

Other (Capacity) 500gal _____

Other (Type) _____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance

Corrective Action		Corrective Date	
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Comment	Same as crude
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Facilities:	<input type="checkbox"/> New Tank	Tank ID: _____
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Contents	#	Capacity	Type	SE GPS
CONDENSATE	1	400 BBLS	STEEL AST	,

S/A/V:	SATISFACTORY	Comment:	Incorrect NFPA label. See Photos
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Corrective Action:		Corrective Date:	
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Paint

Condition	Adequate
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Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal	Adequate	Walls Sufficient	Base Sufficient	Adequate

Corrective Action		Corrective Date	
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Comment	
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Facilities:		<input type="checkbox"/> New Tank		Tank ID: _____	
Contents	#	Capacity	Type	SE GPS	
PRODUCED WATER	2	400 BBLS	HEATED STEEL AST	,	
S/A/V:	SATISFACTORY		Comment: Incorrect NFPA label. See Photos		
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				Same as crude	
Facilities:		<input type="checkbox"/> New Tank		Tank ID: _____	
Contents	#	Capacity	Type	SE GPS	
CRUDE OIL	2	400 BBLS	STEEL AST	,	
S/A/V:	SATISFACTORY		Comment: Incorrect NFPA label. See Photos		
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					
Venting:					
Yes/No		Comment			
NO					
Flaring:					
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date	

Predrill

Location ID: 334467

Site Preparation:

Lease Road Adeq.: _____ Pads: _____ Soil Stockpile: _____

S/A/V: _____

Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:**S/A/V:** _____ **Comment:** _____**CA:** _____ **Date:** _____**Wildlife BMPs:****S/A/V:** _____ **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: 293207 Type: WELL API Number: 077-09441 Status: PR Insp. Status: PR

Producing Well

Comment: PR

Facility ID: 293210 Type: WELL API Number: 077-09444 Status: PR Insp. Status: PR

Producing Well

Comment: PR

Facility ID: 293211 Type: WELL API Number: 077-09445 Status: PR Insp. Status: PR

Producing Well

Comment: PR

Facility ID: 293212 Type: WELL API Number: 077-09446 Status: PR Insp. Status: PR

Producing WellComment: PR

Facility ID: 293877 Type: WELL API Number: 077-09460 Status: PR Insp. Status: PR

Producing WellComment: PR

Facility ID: 293987 Type: WELL API Number: 077-09463 Status: PR Insp. Status: PR

Producing WellComment: PR

Facility ID: 294130 Type: WELL API Number: 077-09466 Status: PR Insp. Status: PR

Producing WellComment: 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 REVEGETATIONCropland

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 ☐

Inspector Name: CONKLIN, CURTIS

Storm Water:						
Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Gravel	Pass					
Seeding	Pass					
Berms	Pass	Compaction	Pass			
Compaction	Pass	Gravel	Pass			
Ditches	Pass					

S/A/V: **ACTION REQUIRED** Corrective Date: **11/03/2014**

Comment: **Rilling and erosion at entrance.**

CA: **Use BMPs to address and correct.**

Pits: ☒ NO SURFACE INDICATION OF PIT

COGCC Comments

Comment	User	Date
Update tanks with correct NFPA signs. Address erosion at entrance.	conklinc	09/04/2014

Attached Documents

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

Document Num	Description	URL
675200485	Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3425113

ACTION REQUIRED

ANY ACTION REQUIRED items listed on this report indicate that the oil and gas facility or the oil and gas operations listed on the report may be in violation of the rules and regulations of the Colorado Oil and Conservation Commission (“COGCC”) and corrective action is required.

There is reasonable cause to believe that a violation of the Oil and Gas Conservation Act, or of any rule, regulation, or order of the Commission, or of any permit issued by the Commission, has occurred. The Operator’s compliance with this Inspection Report is required to resolve these alleged violations. This document requires the Operator to timely respond to the COGCC and to comply with directives as listed by the **Corrective Action Deadline Date**. 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. (Please note that the COGCC's penalty authority was recently increased to a maximum of \$15,000 per day and penalties are no longer capped at a maximum of \$10,000 per violation.)