

**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
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Inspection Date:

12/08/2014

Document Number:

675200917

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	301412	334435	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: NESW Sec: 28 Twp: 9S Range: 93W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
10/15/2014	675200651	DG	DG	SATISFACTORY			No

Inspector Comment:This is a drilling inspection**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
301411	WELL	XX	05/30/2014	LO	077-09939	Piceance 28-15M	XX	<input type="checkbox"/>
301412	WELL	DG	09/21/2014	LO	077-09940	Piceance 28-21W	DG	<input checked="" type="checkbox"/>
301414	WELL	DG	09/17/2014	LO	077-09942	Piceance 28-21M	DG	<input type="checkbox"/>
301415	WELL	DG	09/22/2014	LO	077-09943	Piceance 28-20W	DG	<input type="checkbox"/>
301416	WELL	DG	09/19/2014	LO	077-09944	Piceance 28-20M	DG	<input type="checkbox"/>
301417	WELL	XX	05/30/2014	LO	077-09945	Piceance 28-19W	XX	<input type="checkbox"/>
301418	WELL	DG	09/21/2014	LO	077-09946	Piceance 28-19M	DG	<input type="checkbox"/>
301419	WELL	XX	05/30/2014	LO	077-09947	Piceance 28-18W	XX	<input type="checkbox"/>
301420	WELL	XX	05/30/2014	LO	077-09948	Piceance 28-18M	XX	<input type="checkbox"/>

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301421	WELL	XX	05/30/2014	LO	077-09949	Piceance 28-17W	XX	
301422	WELL	XX	05/30/2014	LO	077-09950	Piceance 28-17M	XX	
301423	WELL	XX	05/30/2014	LO	077-09951	Piceance 28-16W	XX	
301424	WELL	XX	05/30/2014	LO	077-09952	Piceance 28-16M	XX	
301425	WELL	XX	05/30/2014	LO	077-09953	Piceance 28-15W	XX	
301426	WELL	XX	05/30/2014	LO	077-09954	Piceance 28-14W	XX	
301427	WELL	XX	05/30/2014	LO	077-09955	Piceance 28-14M	XX	
301428	WELL	XX	05/30/2014	LO	077-09956	Piceance 28-13W	XX	
411976	WELL	XX	05/30/2014	LO	077-10060	Piceance 28-13M	XX	
438457	WELL	DG	09/17/2014		077-10220	Piceance 28-11W	DG	
438458	WELL	XX	08/10/2014		077-10221	Piceance 28-12W	XX	
438859	WELL	XX	09/12/2014		077-10223	Piceance 28-12M	XX	
438860	WELL	XX	09/12/2014		077-10224	Piceance 28-11M	XX	

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/Action Required	comment	Corrective Action	Date
Access	SATISFACTORY			

Signs/Marker:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
TANK LABELS/PLACARDS	ACTION REQUIRED	NO signs on tank battery	Install sign to comply with rule 210.	01/30/2015
WELLHEAD	SATISFACTORY			

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

Corrective Date: _____

Comment: _____

Corrective Action: _____

Spills:

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

Equipment:					
Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Gathering Line	1	SATISFACTORY			
Bird Protectors	5	SATISFACTORY			
Emission Control Device	1	SATISFACTORY			
Pig Station	1	SATISFACTORY			
Vertical Heated Separator	20	SATISFACTORY	22 separators		

Facilities:		<input type="checkbox"/> New Tank	Tank ID: _____	
Contents	#	Capacity	Type	SE GPS
	8		STEEL AST	,
S/A/V:	SATISFACTORY		Comment: See sign section	
Corrective Action:			Corrective Date:	

Paint	
Condition	Adequate
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	
Comment				

Venting:		
Yes/No	Comment	
NO		

Flaring:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Predrill

Location ID: 301412

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: 301412 Type: WELL API Number: 077-09940 Status: DG Insp. Status: DG

Well Drilling**Rig:** Rig Name: Patterson Pusher/Rig Manager: Matt Settles
Permit Posted: SATISFACTORY Access Sign: SATISFACTORY**Well Control Equipment:**Pipe Ram: YES Blind Ram: YES Hydril Type: YES
Pressure Test BOP: Pass Test Pressure PSI: 5000 Safety Plan: YES**Drill Fluids Management:**

Lined Pit: _____ Unlined Pit: _____ Closed Loop: _____ Semi-Closed Loop: _____

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Multi-Well: _____ Disposal Location: _____

Comment:

Well had just been TD. Rig preparing to move to API 077-09943

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? _____ 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? _____

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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
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
Compaction		Check Dams	Pass	CM	Pass	
Gravel		Culverts	Pass			
Berms	Pass	Compaction	Pass	MHSP	Pass	
		Waddles	Pass			
Retention Ponds	Pass	Retention Ponds	Pass			

S/A/V: SATISFACTOR _____ Corrective Date: _____
Y _____

Comment: Location was rutted and muddy at time of inspection but in process of being compacted

CA: _____

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Pits: ☒ NO SURFACE INDICATION OF PIT

Attached Documents

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

Document Num	Description	URL
675200921	Tanks with no signage	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3501690

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.)