

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:
12/12/2014

Document Number:
666800417

Overall Inspection:

ACTION REQUIRED

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>294525</u>	<u>334710</u>	<u>Murray, Richard</u>	<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		wbankert@laramie-energy.com	Senior Regulatory & Environmental Coordinator
Kellerby, Shaun		Shaun.Kellerby@state.co.us	NW Field Supervisor

Compliance Summary:

QtrQtr: NWSW Sec: 31 Twp: 6S Range: 93W

Inspector Comment:

All corrective actions in inspection document number 663000387 dated 6/14/2012 have been met

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
294502	WELL	PR	10/20/2008	GW	045-15508	LEVERICH 31-11D	PR	<input checked="" type="checkbox"/>
294523	WELL	PR	11/13/2008	GW	045-15505	LEVERICH 31-14D	PR	<input checked="" type="checkbox"/>
294524	WELL	PR	10/15/2008	GW	045-15506	LEVERICH 31-13B	PR	<input checked="" type="checkbox"/>
294525	WELL	PR	11/16/2008	GW	045-15507	LEVERICH 31-12B	PR	<input checked="" type="checkbox"/>

Equipment:

Location Inventory

Special Purpose Pits: _____	Drilling Pits: <u>1</u>	Wells: <u>12</u>	Production Pits: _____
Condensate Tanks: <u>8</u>	Water Tanks: _____	Separators: <u>4</u>	Electric Motors: _____
Gas or Diesel Mortors: _____	Cavity Pumps: _____	LACT Unit: _____	Pump Jacks: _____
Electric Generators: _____	Gas Pipeline: <u>1</u>	Oil Pipeline: _____	Water Pipeline: _____
Gas Compressors: _____	VOC Combustor: <u>1</u>	Oil Tanks: _____	Dehydrator Units: _____
Multi-Well Pits: _____	Pigging Station: _____	Flare: _____	Fuel Tanks: _____

Location

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

Corrective Date: _____

Comment: _____

Corrective Action:

Good Housekeeping:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
UNUSED EQUIPMENT	SATISFACTORY	Methonal tank in tank battery Containment		

Spills:

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

Equipment:

Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Pig Station	2	SATISFACTORY			
Vertical Heated Separator	4	SATISFACTORY			
Horizontal Heated Separator	0	SATISFACTORY			
Gas Meter Run	4	SATISFACTORY			
Deadman # & Marked	1	ACTION REQUIRED	See photo	As per Cogcc rules	01/09/2015

Facilities: New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
CONDENSATE	2	400 BBLs	STEEL AST	39.479630,-107.822490

S/A/V: SATISFACTORY Comment: _____

Corrective Action: _____ Corrective Date: _____

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 _____

Comment _____

Venting:

Yes/No	Comment
NO	

Flaring:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Predrill

Inspector Name: Murray, Richard

Location ID: 294525

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

S/A/V: _____

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

Form 2A COAs:

Group	User	Comment	Date
OGLA	kubeczko	Operator must implement best management practices to contain any unintentional release of fluids.	08/02/2010
OGLA	kubeczko	No portion of any pit that will be used to hold liquids shall be constructed on fill material, unless the pit and fill slope are designed and certified by a professional engineer, subject to review and approval by the director prior to construction of the pit. The construction and lining of the pit shall be supervised by a professional engineer or their agent. The entire base of the pit must be in cut.	07/14/2010
OGLA	kubeczko	Reserve pit must be lined or closed loop system must be implemented during drilling.	08/02/2010
OGLA	kubeczko	Operator must ensure 110 percent secondary containment for any volume of fluids contained at well site during drilling and completion operations. If fluids are conveyed via pipeline, operator must implement best management practices to contain any unintentional release of fluids.	08/02/2010
OGLA	kubeczko	Location is in a sensitive area because of close proximity to surface water, therefore, operator must ensure 110 percent secondary containment for any volume of fluids contained at well site during drilling and completion operations.	08/02/2010
OGLA	kubeczko	The moisture content of any drill cuttings in a cuttings pit, trench, or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts. At the time of closure, the drill cuttings must also meet the applicable standards of table 910-1.	08/02/2010

S/A/V: SATISFACTORY **Comment:** No drilling or completions being performed at time of inspection, No visal sign of pits or cuttings

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:

Inspector Name: Murray, Richard

Landman Name: _____	Phone Number: _____	
Date Onsite Request Received: _____	Date of Rule 306 Consultation: _____	
Request LGD Attendance: _____		
<u>LGD Contact Information:</u>		
Name: _____	Phone Number: _____	Agreed to Attend: _____
<u>Summary of Landowner Issues:</u>		
<u>Summary of Operator Response to Landowner Issues:</u>		
<u>Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:</u>		

Facility

Facility ID: 294502	Type: WELL	API Number: 045-15508	Status: PR	Insp. Status: PR
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Producing Well

Comment: **Plunger lift**

Facility ID: 294523	Type: WELL	API Number: 045-15505	Status: PR	Insp. Status: PR
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Producing Well

Comment: **Plunger lift**

Facility ID: 294524	Type: WELL	API Number: 045-15506	Status: PR	Insp. Status: PR
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Producing Well

Comment: **Plunger lift**

Facility ID: 294525	Type: WELL	API Number: 045-15507	Status: PR	Insp. Status: PR
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Producing Well

Comment: **Plunger lift**

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 _____
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Field Parameters:

Sample Location: _____

Emission Control Burner (ECB): Y _____

Comment: _____

Pilot: ON Wildlife Protection Devices (fired vessels): YES

Reclamation - Storm Water - Pit

Interim Reclamation:

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: RANGELAND

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? In Production areas stabilized? _____

1003c. Compacted areas have been cross ripped? In

1003d. Drilling pit closed? Pass 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: RANGELAND

Reminder: _____

Comment: _____

Well plugged _____ Pit mouse/rat holes, cellars backfilled _____

Inspector Name: Murray, Richard

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
Rip Rap	Pass					
Ditches	Pass					
		Retention Ponds	Pass			
Drains	Pass					
		Sediment Traps	Pass			
Sediment Traps	Pass					
Retention Ponds	Pass					
		Culverts	Pass			
		Ditches	Pass			
Berms	Pass					

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

Comment: _____
 CA: _____

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
666800420	Leverich	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3506053

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.)