

**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:  
12/12/2014Document Number:  
666800417

Overall Inspection:

**ACTION REQUIRED****FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	294525	334710	Murray, Richard	<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		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: <u>      </u>	Drilling Pits: <u>  1  </u>	Wells: <u>  12  </u>	Production Pits: <u>      </u>
Condensate Tanks: <u>  8  </u>	Water Tanks: <u>      </u>	Separators: <u>  4  </u>	Electric Motors: <u>      </u>
Gas or Diesel Mortors: <u>      </u>	Cavity Pumps: <u>      </u>	LACT Unit: <u>      </u>	Pump Jacks: <u>      </u>
Electric Generators: <u>      </u>	Gas Pipeline: <u>  1  </u>	Oil Pipeline: <u>      </u>	Water Pipeline: <u>      </u>
Gas Compressors: <u>      </u>	VOC Combustor: <u>  1  </u>	Oil Tanks: <u>      </u>	Dehydrator Units: <u>      </u>
Multi-Well Pits: <u>      </u>	Pigging Station: <u>      </u>	Flare: <u>      </u>	Fuel Tanks: <u>      </u>

**Location**Emergency Contact Number (S/A/V): SATISFACTORYCorrective Date:       Comment:

Inspector Name: Murray, Richard

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
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☐ 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 Sufficent	Base Sufficient	Adequate

Corrective Action	Corrective Date
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Comment
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**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	kubeczkod	Operator must implement best management practices to contain any unintentional release of fluids.	08/02/2010
OGLA	kubeczkod	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	kubeczkod	Reserve pit must be lined or closed loop system must be implemented during drilling.	08/02/2010
OGLA	kubeczkod	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	kubeczkod	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	kubeczkod	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

**Producing Well**

Comment: Plunger lift

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

**Producing Well**

Comment: Plunger lift

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

**Producing Well**

Comment: Plunger lift

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

**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 \_\_\_\_\_

**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? In1003d. 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 <input type="checkbox"/> Multi-Well Location <input type="checkbox"/>

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	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3506053">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3506053</a>

## **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.)