

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:
07/30/2015

Document Number:
675201871

Overall Inspection:

ACTION REQUIRED

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>334464</u>	<u>334464</u>	<u>CONKLIN, CURTIS</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	(970) 683-5419	wbankert@laramie-energy.com	Senior Regulatory & Environmental Coordinator
Arthur, Denise		denise.arthur@state.co.us	
Freeman, Sarah		sarah.freeman@state.co.us	NW Permitting

Compliance Summary:

QtrQtr:	<u>NESE</u>	Sec:	<u>22</u>	Twp:	<u>9S</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)
10/22/2014	675200673			SATISFACTORY			No
01/03/2013	668500252			SATISFACTORY	I		No

Inspector Comment:

API 077-09845 permit expired 12/28/12, noted on previous inspection. All other XX (not drilled) APIs on location expired January 2015. No interim reclamation at time of inspection.

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
297855	WELL	XX	12/22/2012	LO	077-09705	NVega 22-424	ND	✗
297856	WELL	XX	12/06/2012	LO	077-09706	NVega 22-434	ND	✗
297857	WELL	XX	12/05/2012	LO	077-09707	NVega 22-431	ND	✗
297858	WELL	PR	04/03/2013	GW	077-09708	NVEGA 2C-22-433D	PR	✗
299973	WELL	XX	12/05/2012	LO	077-09843	NVega 23-133	ND	✗
299974	WELL	XX	12/05/2012	LO	077-09844	NVega 22-422	ND	✗
299975	WELL	XX	09/01/2011	LO	077-09845	NVega 22-433	ND	✗
299976	WELL	XX	12/05/2012	LO	077-09846	NVega 22-333	ND	✗

299977	WELL	XX	12/05/2012	LO	077-09847	NVega 22-322	ND	<input checked="" type="checkbox"/>
299978	WELL	XX	12/05/2012	LO	077-09848	NVega 22-432	ND	<input checked="" type="checkbox"/>
299979	WELL	XX	12/05/2012	LO	077-09849	NVega 22-342	ND	<input checked="" type="checkbox"/>
299980	WELL	XX	12/05/2012	LO	077-09850	NVega 22-343	ND	<input checked="" type="checkbox"/>
299981	WELL	XX	12/05/2012	LO	077-09851	NVega 22-423	ND	<input checked="" type="checkbox"/>
299982	WELL	XX	12/05/2012	LO	077-09852	NVega 22-332	ND	<input checked="" type="checkbox"/>
299994	WELL	XX	12/05/2012	LO	077-09853	NVega 22-323	ND	<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

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	SATISFACTORY			
WELLHEAD	SATISFACTORY			

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

Corrective Date: _____

Comment: **800-891-6191**

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		

Facilities:

New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
CRUDE OIL	2	400 BBLS	STEEL AST	,

Inspector Name: CONKLIN, CURTIS

S/A/V:	SATISFACTORY	Comment:				
Corrective Action:					Corrective Date:	
Paint						
Condition						
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: 334464

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: 297855 Type: WELL API Number: 077-09705 Status: XX Insp. Status: ND

Facility ID: 297856 Type: WELL API Number: 077-09706 Status: XX Insp. Status: ND

Facility ID: 297857 Type: WELL API Number: 077-09707 Status: XX Insp. Status: ND

Facility ID: 297858 Type: WELL API Number: 077-09708 Status: PR Insp. Status: PR

Producing Well

Comment: PR

Facility ID: 299973 Type: WELL API Number: 077-09843 Status: XX Insp. Status: ND

Facility ID: 299974	Type: WELL	API Number: 077-09844	Status: XX	Insp. Status: ND
Facility ID: 299975	Type: WELL	API Number: 077-09845	Status: XX	Insp. Status: ND
Facility ID: 299976	Type: WELL	API Number: 077-09846	Status: XX	Insp. Status: ND
Facility ID: 299977	Type: WELL	API Number: 077-09847	Status: XX	Insp. Status: ND
Facility ID: 299978	Type: WELL	API Number: 077-09848	Status: XX	Insp. Status: ND
Facility ID: 299979	Type: WELL	API Number: 077-09849	Status: XX	Insp. Status: ND
Facility ID: 299980	Type: WELL	API Number: 077-09850	Status: XX	Insp. Status: ND
Facility ID: 299981	Type: WELL	API Number: 077-09851	Status: XX	Insp. Status: ND
Facility ID: 299982	Type: WELL	API Number: 077-09852	Status: XX	Insp. Status: ND
Facility ID: 299994	Type: WELL	API Number: 077-09853	Status: XX	Insp. Status: ND

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? _____
 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
Ditches	Pass					
Compaction	Pass	Gravel	Pass			
Gravel	Pass					
Berms	Pass	Compaction	Pass			

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

Comment: _____

CA: _____

Pits: NO SURFACE INDICATION OF PIT

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.)