

**FORM
INSP**

Rev
X/15

**State of Colorado
Oil and Gas Conservation Commission**

1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109



Inspection Date:
01/18/2017
Submitted Date:
01/20/2017
Document Number:
674603110

FIELD INSPECTION FORM

Loc ID 306652 Inspector Name: Maclaren, Joe On-Site Inspection 2A Doc Num: _____

Status Summary:
 THIS IS A FOLLOW UP INSPECTION
 FOLLOW UP INSPECTION REQUIRED
 NO FOLLOW UP INSPECTION REQUIRED

Findings:
3 Number of Comments
0 Number of Corrective Actions
 Corrective Action Response Requested

Operator Information:
OGCC Operator Number: 69175
Name of Operator: PDC ENERGY INC
Address: 1775 SHERMAN STREET - STE 3000
City: DENVER State: CO Zip: 80203

Contact Information:

| Contact Name | Phone | Email | Comment |
|--------------------|-------|-------------------------------|---------|
| Hazard, Ellice | | ellice.hazard@state.co.us | |
| , | | cogccinspection@pdce.com | |
| Allison, Rick | | rick.allison@state.co.us | |
| Schlagenhauf, Mark | | mark.schlagenhauf@state.co.us | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|---------------|-------------|
| 290371 | WELL | PR | 08/01/2007 | GW | 123-25071 | NELSON 11-33 | EG |

General Comment:
COGCC Engineering Integrity Inspection performed on January 18th, 2017 in response to initial form 19 spill report Doc #401181857 received on 1/11/2017 that outlines: A reportable release was found within secondary containment on the Hankins 34, 44-17U due to a leaking oil tank. Once discovered, the flowline was shut and tank bottomed out. Current recovery efforts are mitigating impacts. The details of observations made during this field inspection are available in the tanks/ berms and flowline sections of this report. No PDC Energy or contract personnel were on site at the time of this field inspection. Photo's have been uploaded and can be accessed via link(s) at the end of this report.

Location

Overall Good:

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Overall Good:

Spills:

| Type | Area | Volume | | | |
|------|------|--------|--|--|--|
| | | | | | |

In Containment: No

Comment:

Multiple Spills and Releases?

Tanks and Berms:

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|--|----------|-----------|---------|--------|
| CRUDE OIL | 1 | 400 BBLs | STEEL AST | | |
| Comment: | As outline on supplemental form 19 doc #401188174 received by COGCC on 01/20/2017: Approximately 9 barrels of oil and produced water were released from the above ground storage tank due to a hole caused by corrosion. Site inspections and routine pressure and integrity tests will continue. Note: Maintain records of tank repairs and/ or replacements completed. Ensure integrity of crude oil and produced water tanks prior to returning to service in order to prevent future releases. | | | | |
| Corrective Action: | | | | | Date: |

Paint

| | |
|------------------|----------------------|
| Condition | <input type="text"/> |
| Other (Content) | <input type="text"/> |
| Other (Capacity) | <input type="text"/> |
| Other (Type) | <input type="text"/> |

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|--------------------|----------|---------------------|---------------------|-------------|
| | | | | |
| Comment: | | | | |
| Corrective Action: | | | | Date: |

Venting:

| | | | |
|--------------------|----------------------|--|-------|
| Yes/No | <input type="text"/> | | |
| Comment: | <input type="text"/> | | |
| Corrective Action: | | | Date: |

Flaring:

| | | | |
|--------------------|----------------------|--|-------|
| Type | <input type="text"/> | | |
| Comment: | <input type="text"/> | | |
| Corrective Action: | | | Date: |

Inspected Facilities

Facility ID: 290371 Type: WELL API Number: 123-25071 Status: PR Insp. Status: EG

Flowline

| | | |
|----|-----------------|----------|
| #1 | Type: Dump Line | of Lines |
|----|-----------------|----------|

Flowline Description

Flowline Type: Dump Line Size: Material:
 Variance: Age: Contents:

Integrity Summary

Failures: Spills: Repairs Made:
 Coatings: H2S: Cathodic Protection:

Pressure Testing

Witnessed: Test Result: Charted:

COGCC Rules(check all that apply)

1101. Installation and Reclamation 1102. Operations, Maintenance, and Repair 1103. Abandonment

Comment: The dump lines associated with this facility have been disconnected and segments removed from the excavation where remediation activities are in progress. Crude oil and produced water dump lines are scheduled for repairs/ (partial) replacements. Note: Maintain records of flowline repairs/ replacements completed. Conduct flowline pressure testing (confirm integrity of flowline repairs/ replacements completed and retain testing data/ chart) prior to returning flowlines to service.

Corrective Action:

Date:

Attached Documents

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

| Document Num | Description | URL |
|--------------|---|---|
| 401190427 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4056266 |
| 674603113 | Signage and tank spill/ excavation area | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4056262 |
| 674603114 | Crude oil and PW dump lines/ Disconnected | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4056263 |
| 674603115 | Tanks moved away from clean up area | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4056264 |
| 674603116 | Dump flowlines/ segments removed | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4056265 |