

**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:

01/04/2019

Submitted Date:

01/07/2019

Document Number:

690100974

FIELD INSPECTION FORM

Loc ID _____ 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

Operator Information:

OGCC Operator Number: 10454
Name of Operator: PETROSHARE CORPORATION
Address: 9635 MAROON CIRCLE #400
City: ENGLEWOOD State: CO Zip: 80112

Findings:

- 5 Number of Comments
- 0 Number of Corrective Actions
- Corrective Action Response Requested

ANY CORRECTIVE ACTION(S) FROM PREVIOUS INSPECTIONS THAT HAVE NOT BEEN ADDRESSED ARE STILL APPLICABLE

Contact Information:

Contact Name	Phone	Email	Comment
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Lloyd, Bill		blloyd@petrosharecorp.com	
Brown, Devin	(303)-349-0302	dbrown@petrosharecorp.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
460459	SPILL OR RELEASE	AC	01/02/2019		-	Nordman Trust 33-20	EG

General Comment:

Engineering integrity inspection performed on January 4th, 2019 in response to initial form 19 spill report Doc #401888776 filed by Petroshare and received by COGCC on 12/29/2018 that outlines: We were removing lines from the 33-20 and found the soil to be clearly contaminated by an historic spill. The affected area is 20' x 40' and is contaminated to a depth of 2'; More likely deeper, but that is the extent of our excavation at this time. Soil testing will determine the extent of contamination. We discovered this while removing the treater and lines from a P&A'd well: The Nordman Trust 33-20. We have stockpiled the contaminated soil and will have Tasman test that soil as soon as the locates are done on Monday. There are no free liquids in the contamination. Guessing leaking lines and vessels from the past caused this. We discovered 2 of the treaters had leaks when taken out of service and would have contributed to the contamination at some point in time. Details of observations made during this field inspection are available in the flowline and comment sections of this report. Photos uploaded.

Inspected Facilities			
Facility ID: <u>460459</u>	Type: <u>SPILL OR</u>	API Number: <u>-</u>	Status: <u>AC</u> Insp. Status: <u>EG</u>
Flowline			
#1	Type:	of Lines	
<u>Flowline Description</u>			
Flowline Type:	Size:	Material:	
Variance:	Age: <u>20+ Yrs</u>	Contents: <u>Multiphase</u>	
<u>Integrity Summary</u>			
Failures: <u>Other</u>	Spills: <u>Yes</u>	Repairs Made:	
Coatings:	H2S:	Cathodic Protection:	
<u>Pressure Testing</u>			
Witnessed:	Test Result:	Charted:	
<u>COGCC Rules(check all that apply)</u>			
<input type="checkbox"/> 1101. Installation and Reclamation <input checked="" type="checkbox"/> 1102. Operations, Maintenance, and Repair <input checked="" type="checkbox"/> 1103. Abandonment			
<u>Comment:</u>	COGCC Inspector met with the Petroshare Corp contractor (Element) on location. Crews were in the process of removing flowlines in the area of the treaters (now removed) and excavating to remove impacted soils. Numerous cut flowlines (dump lines and process piping) were observed in the excavation on the west side of the tank battery. These flowlines range from 1" to 3" OD and are comprised of both carbon steel and poly materials; some of these lines may have been historically abandoned in place. The flowlines are being partially removed with segments (between the meter runs/ gas sales line to the tank battery) abandoned in place. The cut ends are scheduled to be sealed, threaded and bull plugged and buried below grade. In addition, the off location flowlines associated with the (4) wells producing to this facility (currently SI) have been cut and bull plugged at the perimeter of the excavation (previously tied into the production treaters). These flowlines are scheduled to be reconnected and returned to service once remediation efforts and facility reconstruction have been completed.		
<u>Corrective Action:</u>			Date:

COGCC Comments		
Comment	User	Date
Note: COGCC Rule 1105. ABANDONMENT 1105.d. Within 30 days of an operator completing abandonment requirements for an off location flowline or crude oil transfer line the operator must submit a Flowline Report, Form 44, to the Director. If the operator abandon's an off-location flowline and has not submitted latitude and longitude for the flowline risers, the Flowline Report, Form 44, must include this information.	maclarej	01/07/2019
Note: COGCC Rule 603.f. 603.f ; for unused and unmarked flowline risers 24 hrs to lock out tag out; 30 days to remove riser(s); and for flowline risers temporarily disconnected during construction activities, LOTO risers and label riser(s) as active.	maclarej	01/07/2019
This is a shared facility (4 wells); per signage Nordman Trust 32-20, 33-20, 41-20 & 42-20X	maclarej	01/07/2019

Attached Documents

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

Document Num	Description	URL
690100983	Signage and view of tank battery to west	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4696450

690100984	Excavation and view of partially removed flowlines	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4696451
690100985	Flowlines and equipment removed	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4696452
690100986	View to east of excavation at facility	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4696453