

**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:

03/27/2019

Submitted Date:

04/01/2019

Document Number:

681701194

FIELD INSPECTION FORM

Loc ID 436835 Inspector Name: Arauza, Steven 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: 10433
Name of Operator: LARAMIE ENERGY LLC
Address: 1401 SEVENTEENTH STREET #1401
City: DENVER State: CO Zip: 80202

Findings:

- 13 Number of Comments
- 9 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
,		dnr_cogccenforcement@state.co.us	
, Laramie		cogccnotifications@laramie-energy.com	All Inspections
Chris, Clark		cclark@Laramie-Energy.com	
Bankert, Wayne		wbankert@laramie-energy.com	
Longworth, Mike		mike.longworth@state.co.us	
Fischer, Alex		alex.fischer@state.co.us	
Prescott, Lorne	(970) 812-5311	lprescott@laramie-energy.com	
Kubeczko, Dave		dave.kubeczko@state.co.us	
Pesicka, Conor		conor.pesicka@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
437387	WELL	PR	07/22/2017	OG	045-22423	Homer Deep Unit 7-23AH	EI
440891	WELL	WO	04/03/2015	LO	045-22809	Homer Deep Unit 7-23DH	EI
440892	WELL	PR	07/01/2017	GW	045-22810	Homer Deep Unit 7-23BH	EI
440893	WELL	WO	04/02/2015	LO	045-22811	Homer Deep Unit 7-23CH	EI
442672	WELL	AL	05/09/2018	LO	045-22892	Homer Deep Unit 7-23EH	EI
460341	SPILL OR RELEASE	AC	01/10/2019		-	HDU 7-23	EI

General Comment:

COGCC Environmental inspection. Follow up to Spill ID #460341 and Field Inspection Report #681701151.

Operator reported approximately 14.5 bbls released outside of tank battery secondary containment (1 bbl sprayed out, 13.5 bbls lost through penetrations in liner) on 12/24/2018 (Spill ID #460341, Supplemental Spill Report doc #401893859). Wells appeared to be producing to tank battery on inspection date, though operator has not provided documentation of repairs to tank battery liner.

Operator had initiated construction of a replacement tank battery (lined, metal berm) on northwest side of tank battery, near ECD. Operator was instructed via phone on 4/1/2019 to submit an eForm 04 Sundry Notice to COGCC Oil and Gas Location Assessment staff for COGCC review of citing and construction of replacement tank battery.

Where corrective actions from previous environmental field inspection report (doc #681701151) have not been completed, their original corrective action dates remain unchanged.

Location			
Overall Good: <input type="checkbox"/>			
Signs/Marker:			
Type	TANK LABELS/PLACARDS		
Comment:	500 gallon day tank on NE side of pad lists Piceance Energy LLC as the operator.		
Corrective Action:	Update sign to comply with Rule 210.d		Date: 06/01/2019
Emergency Contact Number:			
Comment:	Emergency contact number listed on day tank does not match COGCC records, but was tested on 4/1/2019 and connects to Laramie Energy LLC's operating service.		
Corrective Action:			Date:
Good Housekeeping:			
Type	UNUSED EQUIPMENT		
Comment:	Unused equipment (2" flowlines, cardboard, tarp, pallet, 1/4" stainless line on south end of tank battery) stored throughout location. See photos.		
Corrective Action:	Comply with Rule 603.f.		Date: 05/01/2019
Overall Good: <input type="checkbox"/>			
Spills:			
Type	Area	Volume	
Lube Oil		<= 1 bbl	
Comment:	Localized accumulations of oil-stained gravel outside of shed located south of tank battery. See photos. Accumulations of lube oil are in same location as had been reported in previous environmental inspection, though a comparison of field photos indicates that some stained material had been removed in response to previous inspection report.		
Corrective Action:	Remove and properly dispose of oil-stained material per Rule 907A.		Date: 05/01/2019
Crude Oil	Tank	<= 1 bbl	
Comment:	Localized accumulation of oil-stained soil outside of tank battery containment (east side). See photos.		
Corrective Action:	Remove and properly dispose of oily waste, per Rule 907.e.		Date: 05/01/2019
In Containment: No			
Comment:			
<input checked="" type="checkbox"/> Multiple Spills and Releases?			
Equipment:			
Type: Other	# 1		corrective date
Comment:	Localized accumulations of oil-stained gravel outside of shed located south of tank battery. See photos. Oil accumulations in this location had been reported to operator in previous environmental field inspection report.		
Corrective Action:	Securely fasten all valves, pipes, and fittings to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 605.d.		Date: 01/31/2019
Tanks and Berms:			
Contents	#	Capacity	Type
OTHER	1	300 BBLS	STEEL AST
Comment:			
Corrective Action:			Date:
Paint			

Condition	
Other (Content)	Sand
Other (Capacity)	
Other (Type)	

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal	Adequate	Walls Sufficient	Base Sufficient	Adequate
Comment:				
Corrective Action:				Date:

Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	2	400 BBLs	STEEL AST		
Comment: Access panel on south produced water tank was open on inspection date. South produced water tank was not configured for use. See photos. Operator was instructed to replace hatch or install wildlife protection equipment via phone on 4/1/2019.					
Corrective Action: Install or repair wildlife equipment.				Date: 04/11/2019	

Paint

Condition	
Other (Content)	
Other (Capacity)	
Other (Type)	

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal	Adequate	Walls Sufficient	Base Insufficient	Inadequate
Comment: Lined, metal secondary containment berm shared with crude oil ASTs. Initial Spill Report (doc #401885635) indicates that a portion of spilled fluids had infiltrated through penetrations in liner associated with flowline risers. Flowline risers and liner penetrations remained during 3/27/2019 environmental inspection.				
Corrective Action: See Crude Oil ASTs berm section for Corrective Actions.				Date: 01/31/2019

Contents	#	Capacity	Type	Tank ID	SE GPS
CRUDE OIL	2	400 BBLs	STEEL AST		
Comment:					
Corrective Action:				Date:	

Paint

Condition	
Other (Content)	
Other (Capacity)	
Other (Type)	

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal	Adequate	Walls Sufficient	Base Insufficient	Inadequate
Comment: Lined, metal secondary containment berm shared with produced water ASTs. Initial Spill Report (doc #401885635) indicates that a portion of spilled fluids had infiltrated through penetrations in liner associated with flowline risers. Flowline risers and liner penetrations remained during 3/27/2019 environmental inspection.				

Corrective Action:	Repair or install berms or other secondary containment devices per Rule 605.a.(4). Immediately submit documentation of repairs via Supplemental eForm 19.	Date:	01/31/2019
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Venting:

Yes/No			
Comment:			
Corrective Action:		Date:	

Flaring:

Type			
Comment:			
Corrective Action:		Date:	

Inspected Facilities

Facility ID: <u>437387</u>	Type: <u>WELL</u>	API Number: <u>045-22423</u>	Status: <u>PR</u>	Insp. Status: <u>EI</u>
Facility ID: <u>440891</u>	Type: <u>WELL</u>	API Number: <u>045-22809</u>	Status: <u>WO</u>	Insp. Status: <u>EI</u>
Facility ID: <u>440892</u>	Type: <u>WELL</u>	API Number: <u>045-22810</u>	Status: <u>PR</u>	Insp. Status: <u>EI</u>
Facility ID: <u>440893</u>	Type: <u>WELL</u>	API Number: <u>045-22811</u>	Status: <u>WO</u>	Insp. Status: <u>EI</u>
Facility ID: <u>442672</u>	Type: <u>WELL</u>	API Number: <u>045-22892</u>	Status: <u>AL</u>	Insp. Status: <u>EI</u>
Facility ID: <u>460341</u>	Type: <u>SPILL OR</u>	API Number: <u>-</u>	Status: <u>AC</u>	Insp. Status: <u>EI</u>

Environmental

Spill/Remediation:

Comment: Operator was required to submit an initial eForm 27 to address impacts from Spill ID #460341 on several occasions: as a COA of initial Spill Report (doc #401885635), as a COA of supplemental Spill Report #401893859, and as a CA for field inspection report #681701151 (CA Date 1/31/2019). To date, operator has yet to submit the required eForm 27 Site Investigation and Remediation Workplan.

Corrective Action: Immediately submit an Initial eForm 27 Site Investigation and Remediation Workplan to address impacts from Spill ID #460341. This form shall include a summary description of work done to address and delineate spill to date in addition to remediation workplan and implementation schedule. Date: 01/31/2019

Emission Control Burner (ECB): YES

Comment: ECD located within 75' of newly-constructed tank battery secondary containment device. See photos.

Pilot: _____ Wildlife Protection Devices (fired vessels): _____

COGCC Comments

Comment	User	Date
<p>New tank battery containment device on northwest side of pad is located within 75' of the ECD. See photos. Operator was instructed via phone on 4/1/2019 to submit an eForm 04 Sundry Notice to COGCC Oil and Gas Location Assessment staff to review citing and construction of replacement tank battery.</p> <p>Operator shall not produce to newly constructed tank battery without COGCC approval. Operation of the new tank battery shall comply with Rule 605.a.</p>	arauzas	04/01/2019

Attached Documents

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

Document Num	Description	URL
401991929	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4780504
681701200	20190327 field photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4780503