

**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:

04/24/2019

Submitted Date:

04/26/2019

Document Number:

690101184**FIELD INSPECTION FORM**

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

Operator Information:OGCC Operator Number: 10454Name of Operator: PETROSHARE CORPORATIONAddress: 9635 MAROON CIRCLE #400City: ENGLEWOOD State: CO Zip: 80112**Status Summary:**

- ☐ THIS IS A FOLLOW UP INSPECTION
☐ FOLLOW UP INSPECTION REQUIRED
☐ NO FOLLOW UP INSPECTION REQUIRED

Findings:5 Number of Comments3 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
Schlagenhauf, Mark		mark.schlagenhauf@state.co.us	
Grimes, Meghan		mgrimes@petrosharecorp.com	
Lloyd, Bill		blloyd@petrosharecorp.com	
Brown, Devin	(303)-349-0302	dbrown@petrosharecorp.com	
Chesson, Robert		robert.chesson@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
464057	SPILL OR RELEASE	AC	04/22/2019		-	Abbott Lands	EG

General Comment:

Engineering Integrity inspection performed on April 24th, 2019 in response to initial form 19 spill report Doc #402015518 received by COGCC on 04/19/2019 that outlines: We were in the process of potholing the located gas line and flowlines when we discovered undocumented lines; a 4 inch line which was severely corroded and had clearly been abandoned in place without remediation by the previous operator. The fact that new lines were put in service denotes the previous operators knowledge that the lines had failed, yet they made no effort to remove the failed lines or clean the contaminated area. It is clear that the contamination we are seeing is due to the failure of these abandoned lines, not due to the flowline leak we had recently repaired as previously thought. Details of corrective actions required and observations made during this field inspection are in the location and flowline sections of this report. Photos uploaded.

LocationOverall Good: ☐

Signs/Marker:			
Type	TANK LABELS/PLACARDS		
Comment:	Signage on crude oil and produced water tanks shows previous operator information		
Corrective Action:	Update signage to comply with COGCC rule 210.d. (Note: ECN is located on wellhead and facility signage)	Date:	06/26/2019

Emergency Contact Number:			
Comment:			
Corrective Action:			Date: _____

Good Housekeeping:			
Type	UNUSED EQUIPMENT		
Comment:	Inactive (empty) chemical drum and containment located at wellhead. No wildlife protection screen on containment.		
Corrective Action:	Comply with COGCC rule 603.f. (30 days to remove unused equipment)		Date: 05/26/2019

Overall Good: ☐

Spills:			
Type	Area	Volume	

In Containment: No

Comment: ☐ Multiple Spills and Releases?

Equipment:			corrective date
Type: Flow Line	#		
Comment:	Not all out of service flowline risers (shut in for maintenance) are valved/ bullplugged; Unmarked and open ended flowline risers observed (hammer union ends). Fluid movement heard in/ from inactive open ended riser. Per COGCC rule 603.f; Flowline risers not LO/TO or marked are considered unused equipment.		
Corrective Action:	Valve and bullplug inactive flowline risers; Comply with COGCC rule 603.f: For unused and unmarked flowline risers 24 hrs to lock out tag out, 30 days to remove out of service risers.		Date: 05/26/2019

Venting:			
Yes/No			
Comment:			
Corrective Action:			Date:

Flaring:			
Type			
Comment:			
Corrective Action:			Date:

Inspected Facilities

Facility ID: 464057 Type: SPILL OR API Number: - Status: AC Insp. Status: EG

Flowline

#1	Type:	of Lines	
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Flowline Description

Flowline Type: _____ 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: COGCC inspector observed open excavations (trackhoe and hydro) inside the earthen bermed area around the vertical treater and production equipment. Numerous flowlines were exposed in the excavations consisting of disconnected (active) dump lines and process piping. The majority of the recently active flowlines are comprised of HDPE (poly) pipe that transition to carbon steel risers to surface; sizes ranging from 2" to 4" OD. In addition, inactive and historically abandoned carbon steel flowlines (sizes 2"-3" OD) were observed in an open trench and located deeper than the flowlines recently active; abundant corrosion holes were observed on these old flowlines (no external coating). The well is currently shut in (no LOTO at wellhead or facility). Excavation and remediation activities are ongoing. No Petroshare or contract personnel were on location at the time of this field inspection.

Corrective Action: _____

Date: _____

Attached Documents

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

Document Num	Description	URL
402023455	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4807966
690101188	Signage at wellhead and unused equipment (chem)	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4807962
690101189	Tank label from previous operator	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4807963
690101190	Flowlines/ risers present in/ around open excavation	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4807964
690101191	Historically abandoned flowline (corrosion holes)	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4807965