

**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:

04/17/2019

Submitted Date:

05/17/2019

Document Number:

690900055**FIELD INSPECTION FORM**Loc ID 424970 Inspector Name: FISCHER, ALEX On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**OGCC Operator Number: 10433Name of Operator: LARAMIE ENERGY LLCAddress: 1401 SEVENTEENTH STREET #1401City: DENVER State: CO Zip: 80202**Status Summary:**☐ THIS IS A FOLLOW UP INSPECTION☒ FOLLOW UP INSPECTION REQUIRED☐ NO FOLLOW UP INSPECTION REQUIRED**Findings:**6 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 |
|----------------|-------|---------------------------------------|-----------------|
| Arauzo, Steven | | steven.arauza@state.co.us | |
| Arthur, Denise | | denise.arthur@state.co.us | |
| Colby, Lou | | lou.colby@state.co.us | |
| , Laramie | | cogccnotifications@laramie-energy.com | All Inspections |
| Heil, John | | john.heil@state.co.us | |

General Comment:

On April 17, 2018 COGCC Environmental Staff (Alex Fischer, Steven Arauzo, and John Heil) conducted an environmental field inspection of Laramie Energy LLC's (Laramie) CC 604-12-13 Annex (Location ID: 424970). The purpose of the inspection was to document current conditions of the Location as it pertained to a Rule 502.b. variance request from the operator (See Document Number 40196189). Sundry Document Number 401934787 provides approval of the operators drill cuttings management plan with COAs. At the time of the inspection the weather was partially sunny and temperatures about 50 degrees Fahrenheit.

The following is a summary:

- At the time of inspection active drilling operations were taking place, staff observed the Location for from a distance. A track-hoe was observed spreading material over what appeared to be drill cuttings.

LocationOverall Good: ☐**Signs/Marker:**

| | | | |
|--------------------|--|-------|--|
| Type | | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Emergency Contact Number:

| | | |
|--------------------|--|-------------|
| Comment: | | Date: _____ |
| Corrective Action: | | |

Good Housekeeping:

| | | | |
|--------------------|--|-------|--|
| Type | OTHER | | |
| Comment: | Interim Reclamation Variance (Doc #401329277, 5/21/2018) remains IN PROCESS. | | |
| Corrective Action: | | Date: | |

Overall Good: ☐**Spills:**

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

In Containment: No

Comment: ☐ Multiple Spills and Releases?**Equipment:**

| | | | |
|--------------------|---|--|------------------|
| Type: | # | | corrective date |
| Comment: | Interim Reclamation Variance (Doc #401329277, 5/21/2018) remains IN PROCESS. | | |
| Corrective Action: | Address Interim Reclamation Variance request. Provide direction on whether the operator is proceeding with or recinding the Interim Reclamation Variance request. | | Date: 06/17/2019 |

Venting:

| | | | |
|--------------------|--|-------|--|
| Yes/No | | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Flaring:

| | | |
|--------------------|--|-------|
| Type | | |
| Comment: | | |
| Corrective Action: | | Date: |

Environmental**Waste Management:**

| Type | Management | Condition | GPS (Lat) | (Long) |
|--------------------|---|-----------|-----------|------------------|
| Drill Cuttings | Piles | | | |
| Comment: | At the time of inspection active drilling operations were taking place, staff observed the Location for from a distance. A track-hoe was observed spreading material over what appeared to be drill cuttings. The track-hoe operations were not part of the approved Drill Cuttings Management Plan. The Drill Cuttings Management Plan needs to include ALL of the details in how Laramie is treating, managing, and storing cuttings at the Location. | | | |
| Corrective Action: | By July 17, 2019, the Operator shall provide a Form 27 Remediation Work Plan for the treatment of cuttings on 604-12-13 Annex (Location ID: 424970). A thorough and Site Specific Drill Cuttings Management Plan shall be presented along with the Form 27 to describe the management and treatment operations. | | | Date: 07/17/2019 |

Spill/Remediation:

| | | | | |
|--------------------|--|--|--|------------------|
| Comment: | <p>Spill ID 463317 remains ACTIVE.</p> <ul style="list-style-type: none"> o 60 bbls water-based drilling mud released to surface from failed pipe fitting o 40 bbls lost, 35 bbls recovered? o Operator's NFA request denied, operator to collect soil samples within 1 week of rig demob. o No LGD notification <p>Spill ID #460326 remains ACTIVE</p> <ul style="list-style-type: none"> o 2bbls spilled from broken cam lock during water transfer to SWD, 2 bbls recovered o No Supplemental F19, discovery date 12/22/2018 o No LGD notification | | | |
| Corrective Action: | <p>Provide status of Spill ID 463317 on Supplemental F19 and comply with COAs on Document Number 401974215.</p> <p>Submit Supplemental Spill Reports for Spill IDs #463317 (and comply with COAs on Document Number 401974215) and #460326</p> <p>Comply with Rule 906 Spill Reporting, Cleanup, and Notification requirements.</p> | | | Date: 05/31/2019 |

Emission Control Burner (ECB): _____

Comment: _____

Pilot: _____

Wildlife Protection Devices (fired vessels): _____

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

| Document Num | Description | URL |
|--------------|--|---|
| 402047940 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4826325 |
| 690900056 | INSP Photo CC 604-12-13 Annex Location 424970 20190403 | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4826316 |