

FORM INSP Rev 05/11	State of Colorado Oil and Gas Conservation Commission <small>1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109</small>		DE	ET	OE	ES
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FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection <input type="checkbox"/>
	296100	335048	BURGER, CRAIG	2A Doc Num: _____

Inspection Date:
09/17/2013

Document Number:
670200866

Overall Inspection:
Satisfactory

Operator Information:

OGCC Operator Number: 10433 Name of Operator: PICEANCE ENERGY LLC

Address: 1512 LARIMER STREET #1000

City: DENVER State: CO Zip: 80202

Contact Information:

Contact Name	Phone	Email	Comment
Kellerby, Shaun		Shaun.Kellerby@state.co.us	NW Field Supervisor
Bankert, Wayne	970-812-5310	wbankert@laramie-energy.com	Senior Regulatory & Environmental Coordinator

Compliance Summary:

QtrQtr: NWSE Sec: 29 Twp: 7S Range: 93W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Unsatisfactory	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
07/16/2013	670200662	TA	TA	U	F		N
11/19/2010	200296726	PR	WO	S			N

Inspector Comment:

Green completions equipment on location. Crews setting up to complete wells.

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	
296100	WELL	TA	07/16/2012	GW	045-15910	MCCLUNG 29-02D	X
296101	WELL	WO		GW	045-15911	MCCLUNG 29-06B	X
296102	WELL	PR	03/12/2009	GW	045-15912	MCCLUNG 29-11A	X

Equipment: Location Inventory

Special Purpose Pits: _____	Drilling Pits: _____	Wells: _____	Production Pits: _____
Condensate Tanks: _____	Water Tanks: _____	Separators: _____	Electric Motors: _____
Gas or Diesel Mortors: _____	Cavity Pumps: _____	LACT Unit: _____	Pump Jacks: _____
Electric Generators: _____	Gas Pipeline: _____	Oil Pipeline: _____	Water Pipeline: _____
Gas Compressors: _____	VOC Combustor: _____	Oil Tanks: _____	Dehydrator Units: _____
Multi-Well Pits: _____	Pigging Station: _____	Flare: _____	Fuel Tanks: _____

Location

Signs/Marker:

Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
TANK LABELS/PLACARDS	Satisfactory			

Inspector Name: BURGER, CRAIG

BATTERY	Satisfactory			
WELLHEAD	Satisfactory			

Emergency Contact Number: (S/U/V) Satisfactory Corrective Date: _____

Comment: _____

Corrective Action: _____

Spills:

Type	Area	Volume	Corrective action	CA Date
<input type="checkbox"/> Multiple Spills and Releases?				

Venting:

Yes/No	Comment

Flaring:

Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
Field Flare	Satisfactory	Crew setting up field flare.		

Predrill

Location ID: 335048

Site Preparation:

Lease Road Adeq.: _____ Pads: _____ Soil Stockpile: _____

Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:

Group	User	Comment	Date
Environmental	fischera	Provide a map/diagram illustrating all transfer and receiving facilities/locations by August 30, 2013.	07/31/2013

<p>Environmental</p>	<p>fischera</p>	<p>Operator has stated that they will not be using large volume storage tanks (LVSTs) to hold produced or flowback water. 500 bbl frac tanks will be used.</p> <p>Request to withdraw Doc No.s 1 message Wayne Bankert Tue, Jul 30, 2013 at 8:53 AM To: "Fischer - DNR, Alex" Cc: Randy Natvig Alex,</p> <p>After visiting with you, Piceance Energy is requesting withdrawal of the following three Sundries referencing LVST's with</p> <p>Document ID No:</p> <p>400432966 400432968 400432971</p> <p>Thank you</p> <p>Wayne P. Bankert Senior Regulatory & Environmental Coordinator Piceance Energy, LLC Laramie Energy II, LLC 601 28 1/4 Rd. Suite D Grand Junction, CO 81506 O: 970-812-5310 C: 970-985-5383 F: 970-683-5594 wbankert@laramie-energy.com</p>	<p>07/31/2013</p>
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<p>Environmental</p>	<p>fischera</p>	<p>COA- Produced water or flowback or other exploration and production waste shall not be temporarily stored in LVSTs. Produced water or flowback water shall be temporarily stored in frac tanks.</p>	<p>07/31/2013</p>
<p>Environmental</p>	<p>fischera</p>	<p>COA- The transfer at the facilities/locations referenced in the Production Water Reuse and Minimization Plan shall be valid until July 31, 2014.</p>	<p>07/31/2013</p>

Comment: Produced water being stored in frac tanks on location. Operator reports secondary containment being provided by location berm.

CA: **Date:** _____

Wildlife BMPs:

Comment:

CA: **Date:** _____

Stormwater:

Erosion BMPs	Present	Other BMPs	Present
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Corrective Action: _____		Date: _____	
Comments: Erosion BMPs: _____			
Other BMPs: _____			
Comment: _____			
Staking: _____			
On Site Inspection (305):			
<u>Surface Owner Contact Information:</u>			
Name: _____		Address: _____	
Phone Number: _____		Cell Phone: _____	
<u>Operator Rep. Contact Information:</u>			
Landman Name: _____		Phone Number: _____	
Date Onsite Request Received: _____		Date of Rule 306 Consultation: _____	
Request LGD Attendance: _____			
<u>LGD Contact Information:</u>			
Name: _____		Phone Number: _____	Agreed to Attend: _____
<u>Summary of Landowner Issues:</u>			
<u>Summary of Operator Response to Landowner Issues:</u>			
<u>Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:</u>			

Facility

Facility ID: 296100	Type: WELL	API Number: 045-15910	Status: TA	Insp. Status: WO
Facility ID: 296101	Type: WELL	API Number: 045-15911	Status: WO	Insp. Status: WO
Facility ID: 296102	Type: WELL	API Number: 045-15912	Status: PR	Insp. Status: SI

Idle Well			
Purpose: <input checked="" type="checkbox"/> Shut In		<input type="checkbox"/> Temporarily Abandoned	Reminder: _____
S/V: Satisfactory		CA Date: _____	
CA: _____			
Comment: Shut in for completions on other wells.			

Environmental

Spills/Releases:			
Type of Spill: _____	Description: _____	Estimated Spill Volume: _____	
Comment: _____			
Corrective Action: _____			Date: _____
Reportable: _____	GPS: Lat _____	Long _____	
Proximity to Surface Water: _____	Depth to Ground Water: _____		

Water Well:				
	Lat	Long		

DWR Receipt Num: _____ Owner Name: _____ GPS : _____

Field Parameters: _____

Sample Location: _____

Emission Control Burner (ECB): Y
Comment: _____
Pilot: _____ Wildlife Protection Devices (fired vessels): YES

Reclamation - Storm Water - Pit

Interim Reclamation:

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: _____

Comment: Completions operations planned on wells.

1003a. Debris removed? _____ CM _____

CA _____ CA Date _____

Waste Material Onsite? _____ CM _____

CA _____ CA Date _____

Unused or unneeded equipment onsite? _____ CM _____

CA _____ CA Date _____

Pit, cellars, rat holes and other bores closed? _____ CM _____

CA _____ CA Date _____

Guy line anchors removed? _____ CM _____

CA _____ CA Date _____

Guy line anchors marked? _____ CM _____

CA _____ CA Date _____

1003b. Area no longer in use? _____ Production areas stabilized? _____

1003c. Compacted areas have been cross ripped? _____

1003d. Drilling pit closed? _____ Subsidence over on drill pit? _____

Cuttings management: _____

1003e. Areas no longer needed for drilling or subsequent operations for have been re-vegetated to 80% of pre-existing? _____

Production areas have been stabilized? _____ Segregated soils have been replaced? _____

RESTORATION AND REVEGETATION

Cropland

Top soil replaced _____ Recontoured _____ Perennial forage re-established _____

Non-Cropland

Top soil replaced _____ Recontoured _____ 80% Revegetation _____

1003 f. Weeds Noxious weeds? _____

Comment: _____

Overall Interim Reclamation _____

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____ Date Final Reclamation Completed: _____

Final Land Use: _____

Reminder: _____

Comment: _____

Well plugged _____ Pit mouse/rat holes, cellars backfilled _____

Debris removed _____ No disturbance /Location never built _____

Access Roads Regraded _____ Contoured _____ Culverts removed _____

Gravel removed _____

Location and associated production facilities reclaimed _____ Locations, facilities, roads, recontoured _____

Compaction alleviation _____ Dust and erosion control _____

Non cropland: Revegetated 80% _____ Cropland: perennial forage _____

Weeds present _____ Subsidence _____

Comment: _____

Corrective Action: _____ Date _____

Overall Final Reclamation _____ Multi-Well Location

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Ditches	Pass	Culverts	Pass			
Drains	Pass					
Retention Ponds	Pass					
Rip Rap	Pass					
Sediment Traps	Pass	Ditches	Pass			
Berms	Pass	Gravel	Pass			

S/U/V: Satisfactory _____ Corrective Date: _____

Comment: _____

CA: _____