

<b>FORM INSP</b> Rev 05/11	<b>State of Colorado</b> <b>Oil and Gas Conservation Commission</b> 1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109		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"/>
	296101	335048	BURGER, CRAIG	2A Doc Num:	

Inspection Date:
09/23/2013
Document Number:
670200891
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
Natvig, Randy	303-339-4337	Rnatvig@laramie-energy.com	Drilling and Completions Manager
Kellerby, Shaun		Shaun.Kellerby@state.co.us	NW Field Supervisor

**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)
11/19/2010	200296739	PR	WO	S			N

**Inspector Comment:**

CalFrac started first stage on 045-15911 about noon. Slickwater hydraulic fracture planned 10,171 bbl with 228,000 lbs sand. Bradenhead being monitored. Green completions equipment on location.

**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
296101	WELL	WO		GW	045-15911	MCCLUNG 29-06B
296102	WELL	PR	03/12/2009	GW	045-15912	MCCLUNG 29-11A

**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**

Emergency Contact Number: (S/U/V) \_\_\_\_\_ Corrective Date: \_\_\_\_\_

Comment: \_\_\_\_\_

Corrective Action: \_\_\_\_\_

**Spills:**

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Type	Area	Volume	Corrective action	CA Date
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Multiple Spills and Releases?

<b>Venting:</b>	
Yes/No	Comment

<b>Flaring:</b>				
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date

**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	COA- The transfer at the facilities/locations referenced in the Production Water Reuse and Minimization Plan shall be valid until July 31, 2014.	07/31/2013
Environmental	fischera	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.	07/31/2013
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 &amp; 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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**Comment:** Produced water being transferred to location. Stored on location in 500 bbl frac tanks.

**CA:**  **Date:** \_\_\_\_\_

**Wildlife BMPs:**

**Comment:**

**CA:**  **Date:** \_\_\_\_\_

**Stormwater:**

Erosion BMPs	Present	Other BMPs	Present

Corrective Action: \_\_\_\_\_ Date: \_\_\_\_\_

Comments: Erosion BMPs: \_\_\_\_\_  
Other BMPs: \_\_\_\_\_

**Comment:** \_\_\_\_\_

**Staking:**

**On Site Inspection (305):**

Surface Owner Contact Information:  
 Name: \_\_\_\_\_ Address: \_\_\_\_\_  
 Phone Number: \_\_\_\_\_ Cell Phone: \_\_\_\_\_

Operator Rep. Contact Information:  
 Landman Name: \_\_\_\_\_ Phone Number: \_\_\_\_\_  
 Date Onsite Request Received: \_\_\_\_\_ Date of Rule 306 Consultation: \_\_\_\_\_  
 Request LGD Attendance: \_\_\_\_\_

LGD Contact Information:  
 Name: \_\_\_\_\_ Phone Number: \_\_\_\_\_ Agreed to Attend: \_\_\_\_\_

Summary of Landowner Issues:  
 \_\_\_\_\_

Summary of Operator Response to Landowner Issues:  
 \_\_\_\_\_

Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:  
 \_\_\_\_\_

**Facility**

Facility ID: 296101 Type: WELL API Number: 045-15911 Status: WO Insp. Status: WO

**Well Stimulation**

Stimulation Company: CalFrac Stimulation Type: HYDRAULIC FRAC  
 Other: \_\_\_\_\_

**Observation:**

Maximum Casing Recorded: \_\_\_\_\_ PSI Tubing: \_\_\_\_\_  
 Surface: \_\_\_\_\_ Intermediate: \_\_\_\_\_  
 Production: \_\_\_\_\_ Instantaneous Shut-In Pressure (ISIP) \_\_\_\_\_  
 Bradenhead Psi: \_\_\_\_\_ Frac Flow Back: \_\_\_\_\_ Fluid: \_\_\_\_\_ Gas: \_\_\_\_\_

**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:**

DWR Receipt Num: \_\_\_\_\_ Owner Name: \_\_\_\_\_ GPS: \_\_\_\_\_ Lat \_\_\_\_\_ Long \_\_\_\_\_

**Field Parameters:**  
 \_\_\_\_\_

Sample Location: \_\_\_\_\_

Emission Control Burner (ECB): \_\_\_\_\_  
 Comment: \_\_\_\_\_

Pilot: \_\_\_\_\_ Wildlife Protection Devices (fired vessels): \_\_\_\_\_

**Reclamation - Storm Water - Pit**

**Interim Reclamation:**

Date Interim Reclamation Started: \_\_\_\_\_ Date Interim Reclamation Completed: \_\_\_\_\_

Land Use: \_\_\_\_\_

Comment:

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 \_\_\_\_\_

Inspector Name: BURGER, CRAIG

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
Sediment Traps	Pass					
Retention Ponds	Pass	Gravel	Pass			
Drains	Pass	Ditches	Pass			
Rip Rap	Pass					
Berms	Pass					
Ditches	Pass	Culverts	Pass	MHSP	Pass	

S/U/V: Satisfactory      Corrective Date: \_\_\_\_\_

Comment: \_\_\_\_\_

CA: \_\_\_\_\_