

**FORM
INSP**Rev
05/11**State of Colorado****Oil and Gas Conservation Commission**

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109



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Inspection Date:

01/16/2014

Document Number:

670201153

Overall Inspection:

Violation**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection
	<u>281738</u>	<u>335195</u>	<u>BURGER, CRAIG</u>	<input type="checkbox"/> 2A Doc Num: _____

Operator Information:

OGCC Operator Number:

Name of Operator: PICEANCE ENERGY LLCAddress: 1512 LARIMER STREET #1000City: DENVER State: CO Zip: 80202☐ THIS IS A FOLLOW UP INSPECTION☒ FOLLOW UP INSPECTION REQUIRED☐ NO FOLLOW UP INSPECTION REQUIRED☒ INSPECTOR REQUESTS FORM 42 WHEN CORRECTIVE ACTIONS ARE COMPLETED**Contact Information:**

Contact Name	Phone	Email	Comment
BAROUMAND, SORAYA		soraya.baroumand@state.co.us	
KOEHLER, BOB		bob.koehler@state.co.us	
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: SENE Sec: 19 Twp: 6S Range: 93W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Unsatisfactory	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
08/17/2006	200101807	PR	WO	Satisfactory		Pass	No
06/29/2006	200098551	CO	WO	Unsatisfactory		Fail	Yes

Inspector Comment:**Violation due to MIT not performed on temporarily abandoned well. Location is in violation of interim reclamation rules.****Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
281731	WELL	AL	06/16/2011	LO	045-11507	JONSSON 19-13	AL
281732	WELL	PR	02/08/2007	GW	045-11508	JONSSON 19-02D	PR
281733	WELL	AL	06/16/2011	LO	045-11509	JONSSON 19-15	AL
281734	WELL	PR	02/08/2007	GW	045-11511	JONSSON 19-07B	PR
281736	WELL	AL	06/16/2011	LO	045-11513	JONSSON 19-23	AL
281738	WELL	TA	05/11/2010	GW	045-11515	JONSSON 19-08B	TA
281740	WELL	PR	02/08/2007	GW	045-11517	JONSSON 19-07C	PR
281743	WELL	AL	06/16/2011	LO	045-11520	JONSSON 19-27	AL
281744	WELL	AL	06/16/2011	LO	045-11521	JONSSON 19-25	AL

Equipment:**Location Inventory**

Inspector Name: BURGER, CRAIG

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			
WELLHEAD	Satisfactory			
BATTERY	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?				

Fencing/:

Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
LOCATION	Satisfactory	barbed wire		

Equipment:

Type	#	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
Bird Protectors	2	Satisfactory			
Gathering Line	1	Satisfactory			
Plunger Lift	4	Satisfactory			
Gas Meter Run	1	Satisfactory			
Horizontal Heated Separator	4	Unsatisfactory	Hiss at regulator outside of northern unit.	Maintain equipment leak free.	01/31/2014
Ancillary equipment	2	Satisfactory	Descaler unit and methanol unit.		

Facilities:		<input type="checkbox"/> New Tank	Tank ID: _____	
Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	2	400 BBLS	STEEL AST	,
S/U/V:	Satisfactory	Comment: same berm as condensate tanks		
Corrective Action:				Corrective Date:

Paint

Condition	Adequate
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Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance

Corrective Action	Corrective Date
Comment	

Facilities:		<input type="checkbox"/> New Tank	Tank ID: _____	
Contents	#	Capacity	Type	SE GPS
CONDENSATE	2	400 BBLS	STEEL AST	39.513500,-107.812770
S/U/V:	Satisfactory	Comment:		
Corrective Action:				Corrective Date:

Paint

Condition	Adequate
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Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal	Adequate	Walls Sufficient	Base Sufficient	Adequate

Corrective Action	Corrective Date
Comment	

Venting:		
Yes/No	Comment	
YES	Gas venting at regulator outside of separator unit.	

Flaring:				
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date

Predrill

Location ID: 281738

Site Preparation:

Lease Road Adeq.: _____

Pads: _____

Soil Stockpile: _____

S/U/V: _____

Corrective Action: _____

Date: _____ CDP Num.: _____

Form 2A COAs:**S/U/V:** _____ **Comment:** _____**CA:** _____ **Date:** _____**Wildlife BMPs:****S/U/V:** _____ **Comment:** _____**CA:** _____ **Date:** _____**Stormwater:****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: 281732 Type: WELL API Number: 045-11508 Status: PR Insp. Status: PR

Producing Well

Comment: plunger lift

Facility ID: 281734 Type: WELL API Number: 045-11511 Status: PR Insp. Status: PR

Producing Well

Comment: plunger lift

Facility ID: 281738 Type: WELL API Number: 045-11515 Status: TA Insp. Status: TA

Idle WellPurpose: ☐ Shut In ☒ Temporarily Abandoned

Reminder: _____

S/V: ViolationCA Date: 01/30/2014

CA: Well must be either: 1) Put on production or 2) Per COGCC Rule 326.b.(1) a successful mechanical integrity test shall be performed on each temporarily abandoned well within thirty (30) days of the date the well becomes incapable of production or 3) Be properly plugged and abandoned. 4) A sundry requesting continued temporarily abandoned status should be submitted to Bob Koehler at the COGCC within thirty (30) days of receipt of this report - the sundry should detail the plan for the future operation of the well and the way the well is closed to the atmosphere. Shut-in and temporarily abandoned wells must be properly reported on COGCC Form 7, Operator's Monthly Production Report.

Comment: Last produced April 2010. 30 day notice letter sent to operator on 7/25/2013. MIT has not been performed at time of this inspection.

Facility ID: 281740 Type: WELL API Number: 045-11517 Status: PR Insp. Status: PR

Producing WellComment: plunger lift**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: _____

Complaint:

Tracking Num	Category	Assigned To	Description	Incident Date
200243040	NOTIFICATION	LONGWORTH, MIKE	Step test performed on well that operator want to make an UIC well. Complainant was upset that he or no one else in the area was informed of testing being performed. He also raised concerns of a green poly line that was run thru his property as weither it had been tested or not.	04/19/2010

Emission Control Burner (ECB): N

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: Wells producing since 2006. Abandoned permits expired 2007.
Interim reclamation has not been performed.

1003a. Debris removed? Pass CM _____
 CA _____ CA Date _____
 Waste Material Onsite? _____ CM _____
 CA _____ CA Date _____
 Unused or unneeded equipment onsite? Pass 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? Fail Production areas stabilized ? Pass

1003c. Compacted areas have been cross ripped? _____

1003d. Drilling pit closed? Pass 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 Fail

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: _____

Inspector Name: BURGER, CRAIG

Corrective Action: _____ Date _____

Overall Final Reclamation _____ Well Release on Active Location ☐ Multi-Well Location ☐

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Compaction	Pass	Compaction	Pass			

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

Comment: Snow cover limited inspection.

CA: _____

Pits: ☐ NO SURFACE INDICATION OF PIT