

<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
-------------------------------	--	--	-------------

Inspection Date: 01/16/2014

Document Number: 670201157

Overall Inspection: **Unsatisfactory**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>282549</u>	<u>335121</u>	<u>BURGER, CRAIG</u>	<input type="checkbox"/>	

**Operator Information:**

OGCC Operator Number: \_\_\_\_\_

Name of Operator: PICEANCE ENERGY LLC

Address: 1512 LARIMER STREET #1000

City: 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
Bankert, Wayne	970-812-5310	wbankert@laramie-energy.com	Senior Regulatory & Environmental Coordinator
BAROUMAND, SORAYA		soraya.baroumand@state.co.us	
Kellerby, Shaun		Shaun.Kellerby@state.co.us	NW Field Supervisor

**Compliance Summary:**

QtrQtr: NWSW Sec: 30 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)
02/23/2009	200207659	PR	PR	Satisfactory			No
10/14/2008	200196959	PR	PR	Satisfactory			No
07/05/2006	200098584	PR	ND	Satisfactory		Pass	No

**Inspector Comment:**

---

**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
282548	WELL	AL	06/16/2011	LO	045-11781	MEAD 30-33	AL
282549	WELL	PR	01/03/2008	GW	045-11782	MEAD 30-12-B	PR
282550	WELL	AL	06/16/2011	LO	045-11783	MEAD 30-31	AL
282551	WELL	PR	06/11/2007	GW	045-11784	MEAD 30-06D	PR
282552	WELL	PR	03/08/2007	GW	045-11785	MEAD 30-05D	PR
282553	WELL	AL	06/16/2011	LO	045-11786	MEAD 30-21	AL
282554	WELL	AL	06/16/2011	LO	045-11787	MEAD 30-29	AL
282555	WELL	PR	07/10/2007	GW	045-11788	MEAD 30-05B	PR
282558	WELL	AL	06/16/2011	LO	045-11789	MEAD 30-19	AL
286377	PIT	AC	08/25/2006		-	MEAD 30-19	AC
286378	PIT	AC	08/25/2006		-	JONSSON 19-1	AC

**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**

<b>Signs/Marker:</b>				
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
BATTERY	Satisfactory			
TANK LABELS/PLACARDS	Satisfactory			
WELLHEAD	Satisfactory			

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

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

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

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

<b>Fencing/:</b>				
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
LOCATION	Satisfactory	barbed wire		

<b>Equipment:</b>					
Type	#	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
Horizontal Heated Separator	4	Unsatisfactory	Gas hissing at regulator outside separator for Mead 30-05B.	Maintain equipment leak free.	01/31/2014
Plunger Lift	1	Satisfactory			
Ancillary equipment	1	Satisfactory	descaler unit		
Bird Protectors	2	Satisfactory			
Emission Control Device	1	Satisfactory			
Gathering Line	1	Satisfactory			
Gas Meter Run	1	Satisfactory			

<b>Facilities:</b>		<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
Other (Content)	_____
Other (Capacity)	_____
Other (Type)	_____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Corrective Action				Corrective Date
Comment				

<b>Facilities:</b>		<input type="checkbox"/> New Tank	Tank ID: _____	
Contents	#	Capacity	Type	SE GPS
CONDENSATE	3	400 BBLS	STEEL AST	39.495340, -107.823700
S/U/V:	Satisfactory	Comment:		
Corrective Action:				Corrective Date:

Paint

Condition	Adequate
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				

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

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

**Predrill**

Location ID: 282549

**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: 282549 Type: WELL API Number: 045-11782 Status: PR Insp. Status: PR

**Producing Well**

Comment: **producing**

Facility ID: 282551 Type: WELL API Number: 045-11784 Status: PR Insp. Status: PR

**Producing Well**

Comment: **plunger lift**

Facility ID: 282552 Type: WELL API Number: 045-11785 Status: PR Insp. Status: PR

**Producing Well**

Comment: **producing**

Facility ID: 282555 Type: WELL API Number: 045-11788 Status: PR Insp. Status: PR

**Producing Well**

Comment: producing

**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): Y

Comment:

Pilot: ON Wildlife Protection Devices (fired vessels): YES

**Reclamation - Storm Water - Pit**

**Interim Reclamation:**

Date Interim Reclamation Started: Date Interim Reclamation Completed:

Land Use:

Comment: Snow cover limited inspection. Interim reclamation not performed. Wells on pad producing since 2008. Abandoned locations on pad. Permits expired in 2008.

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: \_\_\_\_\_

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			
Berms	Pass	Culverts	Pass			

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

Comment: Snow cover limited inspection.

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

**Pits:**  NO SURFACE INDICATION OF PIT

Permit: \_\_\_\_\_

Facility ID	Permit Num	Expiration Date
286377	1433496	
286378	1433497	