

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



DE	ET	OE	ES
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Inspection Date:
06/30/2014

Document Number:
668402412

Overall Inspection:
SATISFACTORY

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>284103</u>	<u>334489</u>	<u>BROWNING, CHUCK</u>	<input type="checkbox"/>	

Operator Information:

OGCC Operator Number:	<u>10433</u>
Name of Operator:	<u>PICEANCE ENERGY LLC</u>
Address:	<u>1512 LARIMER STREET #1000</u>
City:	<u>DENVER</u> State: <u>CO</u> Zip: <u>80202</u>

- 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
Browning, Chuck	970-433-4139	chuck.browning@state.co.us	Field Inspector
Bankert, Wayne	970-812-5310	wbankert@laramie-energy.com	Senior Regulatory & Environmental Coordinator

Compliance Summary:

QtrQtr:	<u>SENE</u>	Sec:	<u>33</u>	Twp:	<u>9S</u>	Range:	<u>93W</u>
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Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
06/24/2013	668401463	IJ	AC	SATISFACTORY Y	P		No
07/12/2012	668400572	IJ	AC	SATISFACTORY Y	I		No
04/06/2011	200306783	MI	AC	SATISFACTORY Y			No
07/16/2010	200264705	RT	AC	SATISFACTORY Y			No
08/14/2009	200216542	MI	AO	SATISFACTORY Y			No
10/25/2006	200098143	MI	SI	SATISFACTORY Y		Pass	No
06/21/2006	200097758	DG	ND	SATISFACTORY Y		Pass	No

Inspector Comment:

UIC - Routine inspection

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
159171	UIC DISPOSAL	CL	08/14/2009		-	VEGA UNIT 34-13D	CL <input type="checkbox"/>
159294	UIC DISPOSAL	AC	08/14/2009		-	VEGA UNIT 34-13D	AC <input checked="" type="checkbox"/>
282733	WELL	PR	06/06/2008	GW	077-09003	VEGA UNIT 34-124	PR <input checked="" type="checkbox"/>
282734	WELL	PR	01/20/2006	GW	077-09002	VEGA UNIT 34-12	PR <input checked="" type="checkbox"/>

282735	WELL	PR	01/20/2006	GW	077-09001	VEGA UNIT 33-42	PR	<input checked="" type="checkbox"/>
282736	WELL	PR	03/12/2007	GW	077-09000	VEGA UNIT 33-43	PR	<input checked="" type="checkbox"/>
284103	WELL	IJ	02/06/2013	DSPW	077-09042	VEGA UNIT 34-13D	AC	<input checked="" type="checkbox"/>
285018	WELL	PR	03/09/2007	GW	077-09084	VEGA UNIT 33-431	PR	<input checked="" type="checkbox"/>
285461	WELL	PR	12/12/2012	GW	077-09091	VEGA UNIT 33-441	PR	<input checked="" type="checkbox"/>
285462	WELL	PR	02/05/2007	GW	077-09090	VEGA UNIT 33-421	PR	<input checked="" type="checkbox"/>

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

Lease Road:

Type	Satisfactory/Action Required	comment	Corrective Action	Date
Access	SATISFACTORY			
Main	SATISFACTORY			

Signs/Marker:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
TANK LABELS/PLACARDS	SATISFACTORY			
WELLHEAD	SATISFACTORY			

Emergency Contact Number (S/A/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
NO	

Flaring:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Predrill

Location ID: 284103

Site Preparation:

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

S/AV: _____

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

Form 2A COAs:

S/AV: _____ **Comment:** _____

CA: _____ **Date:** _____

Wildlife BMPs:

S/AV: _____ **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: 159294 Type: UIC API Number: - Status: AC Insp. Status: AC

Underground Injection Control

UIC Violation: _____ Maximum Injection Pressure: 1219

UIC Routine

Inj./Tube: Pressure or inches of Hg _____ Previous Test Pressure _____ MPP _____
 (e.g. 30 psig or -30" Hg) _____ Inj Zone: _____
 TC: Pressure or inches of Hg _____ Previous Test Pressure _____ Last MIT: _____
 Brhd: Pressure or inches of Hg _____ Previous Test Pressure _____ AnnMTRReq: _____

Comment: **UIC - Routine inspection**

Method of Injection: _____

Test Type: _____ Tbg psi: _____ Csg psi: _____ BH psi: _____

Insp. Status: _____

Comment: _____

Facility ID: 282733 Type: WELL API Number: 077-09003 Status: PR Insp. Status: PR

Producing Well

Comment: **Gas Lift**

Facility ID: 282734 Type: WELL API Number: 077-09002 Status: PR Insp. Status: PR

Producing Well

Comment: **Gas Lift**

Facility ID: 282735 Type: WELL API Number: 077-09001 Status: PR Insp. Status: PR

Producing Well

Comment: **Gas Lift**

Facility ID: 282736 Type: WELL API Number: 077-09000 Status: PR Insp. Status: PR

Producing Well

Comment: **Gas Lift**

Facility ID: 284103 Type: WELL API Number: 077-09042 Status: IJ Insp. Status: AC

Underground Injection Control

UIC Violation: _____ Maximum Injection Pressure: _____

UIC Routine

Inj./Tube: Pressure or inches of Hg 1200 Previous Test Pressure _____ MPP _____
 (e.g. 30 psig or -30" Hg) _____ Inj Zone: WSTC
 TC: Pressure or inches of Hg 0 Previous Test Pressure _____ Last MIT: 04/06/2011
 Brhd: Pressure or inches of Hg 0 Previous Test Pressure _____ AnnMTRReq: _____

Comment: **UIC - Routine inspection**

Method of Injection: PUMP FEED

Test Type: _____ Tbg psi: _____ Csg psi: _____ BH psi: _____

Insp. Status: _____

Comment: _____

Facility ID: 285018 Type: WELL API Number: 077-09084 Status: PR Insp. Status: PR

Producing Well

Comment: Gas Lift

Facility ID: 285461 Type: WELL API Number: 077-09091 Status: PR Insp. Status: PR

Producing Well

Comment: Gas Lift

Facility ID: 285462 Type: WELL API Number: 077-09090 Status: PR Insp. Status: PR

Producing Well

Comment: Gas 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
200108488	ENVIRONM ENTAL DAMAGE	BALDWIN, DEBBIE	<p>LAURA AMOS [LAURA@WINTERHAWK.COM]. DEBBIE, THANK YOU FOR PROMPTLY RETURNING MY PHONE CALL TODAY. WE SPOKE BRIEFLY ABOUT MY CONCERNS OF THE RECENT 150 BARRELL SPILL NEAR VEGA LAKE. IT OCCURRED LESS THAT ¼ FROM THE LAKE, AND DIRECTLY INTO A SMALL STREAM THAT EMPTIES INTO THE LAKE. AS YOU KNOW, I AM ALL TOO FAMILIAR WITH SPILLS, AND OTHER "ACCIDENTS" THAT HAPPEN WITHIN THIS INDUSTRY. I DROVE TO THE LAKE ON SUNDAY TO SEE THE DAMAGE FIRST HAND, AND WAS APPALLED. THE ODORS ARE STILL HORRIBLE. THE SPILL HAPPENED ON AN AREA THAT LOOKED TO ME NOT TO EVEN HAVE A GAS WELL, IT APPEARED TO BE MORE OF A STAGING AREA FOR THE OPERATORS TO STORE EQUIPMENT, TANKS, AND ETC. THERE WAS ABSOLUTELY NO DEVICES TO PREVENT EROSION, WHICH EFFECTIVELY LET THE SPILL FLOW EASILY INTO THE LAKE. PLEASE PROVIDE ME A TRUE COMPLETE LIST OF EXACTLY WHAT SPILLED.</p> <p>ACCORDING TO THE GRAND JUNCTION DAILY SENTINEL IT WAS CONDENSATE. JOHN NUSSBAUMER OF DELTA CLAIMED THAT IT WAS 99.9% WATER, WHICH</p>	03/15/2007

WE KNOW IS NOT TRUE.

ESTIMATED 150 BARRELS OF CONDENSATE SPILLED
NEAR VEGA RESERVOIR

BY BOBBY MAGILL THE DAILY SENTINEL

TUESDAY, MARCH 20, 2007

AN ESTIMATED 150 BARRELS OF CONDENSATE
SPILLED FROM A DELTA PETROLEUM NATURAL GAS
WELL PAD AND FLOWED PARTIALLY INTO A DRY
IRRIGATION DITCH ON MARCH 15 NEAR VEGA
RESERVOIR, ACCORDING TO THE COLORADO OIL AND
GAS CONSERVATION COMMISSION.

TRICIA BEAVER, COMMISSION HEARINGS MANAGER,
SAID MONDAY THE CONDENSATE SPILL OCCURRED
WHEN A WELL PAD RESERVE PIT OVERFLOWED.

JOHN NUSSBAUMER, DELTA PETROLEUM MANAGER
FOR ENVIRONMENT, HEALTH AND SAFETY IN DENVER,
SAID THE CONDENSATE WAS "99.9 PERCENT WATER,"
AND DOUBTED THE COMMISSION'S ESTIMATE OF THE
VOLUME OF SPILLED LIQUID.

ONCE CLEANUP ON THE CONDENSATE SPILL WAS
UNDER WAY, A WATER PUMP ON A NEARBY PAD WAS
FOUND TO HAVE LEAKED ABOUT TWO GALLONS OF
MOTOR OIL, WHICH LEACHED INTO A NEARBY CREEK,
HE SAID.

SO IT LOOKS LIKE THEY ARE SAYING THE
CONDENSATE FLOWED INTO THE DRY IRRIGATION
DITCH AND 2 GALLONS OF OIL SPILLED INTO THE
CREEK.

THE SITE IS A HUGE MESS AND NEEDS FURTHER
CLEAN-UP AND OVERSIGHT BY COGCC. WHO FROM
THE COGCC HAS BEEN AT THE SITE?

WAS THIS AREA A WELL SITE? MAYBE, BUT THERE
WAS SO MUCH EQUIPMENT AND STORAGE TANKS,
THAT I COULD NOT SEE A WELLHEAD. PLEASE LET ME
KNOW.

WHY WAS THERE NO SILT FENCE OR OTHER FORM OF
STORMWATER MANAGEMENT?

THANK YOU DEBBIE

LAURA AMOS

970-487-3011 LAURA AMOS
[LAURA@WINTERHAWK.COM]

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? Pass CM _____
CA _____ CA Date _____
- Waste Material Onsite? Pass CM _____
CA _____ CA Date _____
- Unused or unneeded equipment onsite? Pass CM _____
CA _____ CA Date _____
- Pit, cellars, rat holes and other bores closed? Pass 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? Pass Production areas stabilized ? Pass

1003c. Compacted areas have been cross ripped? Pass

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? Pass

Production areas have been stabilized? Pass 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? _____ P _____

Comment: _____

Overall Interim Reclamation Pass

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 _____

Inspector Name: BROWNING, CHUCK

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
Gravel	Pass	Gravel	Pass	MHSP	Pass	

S/A/V: SATISFACTOR Corrective Date: _____
Y _____

Comment: _____

CA: _____

Pits: NO SURFACE INDICATION OF PIT