

**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:

11/21/2014

Document Number:

675200798

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	334429	334429	CONKLIN, CURTIS	<input type="checkbox"/>	

Operator Information:OGCC Operator Number: 10433Name 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
Bankert, Wayne	(970) 683-5419	wbankert@laramie-energy.com	Senior Regulatory & Environmental Coordinator
Kellerby, Shaun		shuan.kellerby@state.co.us	NW Supervisor

Compliance Summary:QtrQtr: SENE Sec: 4 Twp: 10S Range: 93W**Inspector Comment:****Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
295224	WELL	XX	02/11/2013	LO	077-09562	Vega Unit 33-444	ND	<input checked="" type="checkbox"/>
295225	WELL	XX	07/23/2013	LO	077-09563	Vega 4-424	ND	<input checked="" type="checkbox"/>
295226	WELL	XX	07/23/2013	LO	077-09564	Vega 4-411	ND	<input checked="" type="checkbox"/>
295227	WELL	XX	07/23/2013	LO	077-09565	Vega 4-414	ND	<input checked="" type="checkbox"/>
295229	WELL	XX	07/23/2013	LO	077-09566	Vega 4-421	ND	<input checked="" type="checkbox"/>
299141	WELL	XX	01/08/2013	LO	077-09780	Vega 4-312	ND	<input checked="" type="checkbox"/>
299142	WELL	XX	01/08/2013	LO	077-09781	Vega 4-314	ND	<input checked="" type="checkbox"/>
299143	WELL	XX	01/08/2013	LO	077-09782	Vega 4-311	ND	<input checked="" type="checkbox"/>
299144	WELL	XX	01/08/2013	LO	077-09783	Vega 4-322	ND	<input checked="" type="checkbox"/>
299145	WELL	XX	01/08/2013	LO	077-09784	Vega 4-321	ND	<input checked="" type="checkbox"/>
299146	WELL	XX	01/08/2013	LO	077-09785	Vega 4-412	ND	<input checked="" type="checkbox"/>

Inspector Name: CONKLIN, CURTIS

299147	WELL	XX	01/08/2013	LO	077-09786	Vega 4-313	ND	<input checked="" type="checkbox"/>
299520	WELL	XX	01/08/2013	LO	077-09808	Vega Unit 33-442	ND	<input checked="" type="checkbox"/>
299521	WELL	XX	01/08/2013	LO	077-09809	Vega Unit 33-443	ND	<input checked="" type="checkbox"/>
299522	WELL	XX	01/08/2013	LO	077-09810	Vega 4-422	ND	<input checked="" type="checkbox"/>
299523	WELL	XX	01/08/2013	LO	077-09811	Vega 4-413	ND	<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	Road was snow covered at time of inspection		

Signs/Marker:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
OTHER	ACTION REQUIRED	No sign for location	Install sign to comply with rule 210.	12/31/2014

Emergency Contact Number (S/A/V): ACTION

Corrective Date: _____

Comment: _____

Corrective Action: _____

Good Housekeeping:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
STORAGE OF SUPL	ACTION REQUIRED	Culverts stored along access road. See attached photos	Remove	12/31/2014

Spills:

Type	Area	Volume	Corrective action	CA Date
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☐ Multiple Spills and Releases?**Venting:**

Yes/No	Comment

Flaring:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Predrill

Location ID: 334429

Site Preparation:

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

S/A/V: _____

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

Form 2A COAs:**S/A/V:** _____ **Comment:** _____**CA:** _____ **Date:** _____**Wildlife BMPs:****S/A/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: 295224 Type: WELL API Number: 077-09562 Status: XX Insp. Status: ND

Facility ID: 295225 Type: WELL API Number: 077-09563 Status: XX Insp. Status: ND

Facility ID: 295226 Type: WELL API Number: 077-09564 Status: XX Insp. Status: ND

Facility ID: 295227 Type: WELL API Number: 077-09565 Status: XX Insp. Status: ND

Facility ID: 295229	Type: WELL	API Number: 077-09566	Status: XX	Insp. Status: ND
Facility ID: 299141	Type: WELL	API Number: 077-09780	Status: XX	Insp. Status: ND
Facility ID: 299142	Type: WELL	API Number: 077-09781	Status: XX	Insp. Status: ND
Facility ID: 299143	Type: WELL	API Number: 077-09782	Status: XX	Insp. Status: ND
Facility ID: 299144	Type: WELL	API Number: 077-09783	Status: XX	Insp. Status: ND
Facility ID: 299145	Type: WELL	API Number: 077-09784	Status: XX	Insp. Status: ND
Facility ID: 299146	Type: WELL	API Number: 077-09785	Status: XX	Insp. Status: ND
Facility ID: 299147	Type: WELL	API Number: 077-09786	Status: XX	Insp. Status: ND
Facility ID: 299520	Type: WELL	API Number: 077-09808	Status: XX	Insp. Status: ND
Facility ID: 299521	Type: WELL	API Number: 077-09809	Status: XX	Insp. Status: ND
Facility ID: 299522	Type: WELL	API Number: 077-09810	Status: XX	Insp. Status: ND
Facility ID: 299523	Type: WELL	API Number: 077-09811	Status: XX	Insp. Status: ND

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): _____

Comment: _____

Pilot: _____ Wildlife Protection Devices (fired vessels): _____

Reclamation - Storm Water - Pit

Interim Reclamation:

Inspector Name: CONKLIN, CURTIS

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 _____

Access Roads Regraded _____ Contoured _____ Culverts removed _____

Gravel removed _____

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

Compaction alleviation _____ Dust and erosion control _____

Inspector Name: CONKLIN, CURTIS

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
		Retention Ponds	Pass			
Berms	Pass	Check Dams	Pass			
		Ditches	Fail			

S/A/V: **ACTION REQUIRED** Corrective Date: **12/31/2014**

Comment: **Stored culverts are in ditch along access road preventing waterflow.**

CA: **Once stored culverts are removed. Use BMPs to maintain ditches.**

Pits: ☒ NO SURFACE INDICATION OF PIT

Attached Documents

You can go to COGCC Images (<https://cogcc.state.co.us/weblink/>) and search by document number:

Document Num	Description	URL
675200814	Culverts	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3492403
675200815	Stored equipment	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3492404

ACTION REQUIRED

ANY ACTION REQUIRED items listed on this report indicate that the oil and gas facility or the oil and gas operations listed on the report may be in violation of the rules and regulations of the Colorado Oil and Conservation Commission (“COGCC”) and corrective action is required.

There is reasonable cause to believe that a violation of the Oil and Gas Conservation Act, or of any rule, regulation, or order of the Commission, or of any permit issued by the Commission, has occurred. The Operator’s compliance with this Inspection Report is required to resolve these alleged violations. This document requires the Operator to timely respond to the COGCC and to comply with directives as listed by the **Corrective Action Deadline Date**. Failure to do so will result in the issuance of a Notice of Alleged Violation and initiation of enforcement proceedings in which COGCC will seek monetary penalties for the alleged violations pursuant to § 34-60-121, C.R.S. and Rule 523, COGCC Rules of Practice and Procedure, 2 CCR 404-1. (Please note that the COGCC's penalty authority was recently increased to a maximum of \$15,000 per day and penalties are no longer capped at a maximum of \$10,000 per violation.)