

**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

Inspection Date:

04/08/2016

Document Number:

666802065

Overall Inspection:

SATISFACTORY**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	297765	334388	Murray, Richard	<input type="checkbox"/>	

Operator Information:OGCC Operator Number: 10433Name of Operator: LARAMIE ENERGY LLCAddress: 1401 SEVENTEENTH STREET #1400City: 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		wbankert@laramie-energy.com	Senior Regulatory & Environmental Coordinator

Compliance Summary:QtrQtr: NWNE Sec: 5 Twp: 8S Range: 93W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
07/16/2013	670200660	PR	PR	SATISFACTORY			No
11/19/2010	200285334	PR	PR	SATISFACTORY			No

Inspector Comment:**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
297765	WELL	PR	12/20/2010	GW	045-16960	JOHNSON FED. 5-10C	PR	<input checked="" type="checkbox"/>
297766	WELL	PR	03/01/2014	GW	045-16961	JOHNSON 5-02B	PR	<input checked="" type="checkbox"/>
297767	WELL	PR	08/14/2008	GW	045-16962	JOHNSON FED. 5-15B	PR	<input checked="" type="checkbox"/>

Equipment:Location Inventory

Special Purpose Pits: <u> </u>	Drilling Pits: <u> 1 </u>	Wells: <u> 17 </u>	Production Pits: <u> </u>
Condensate Tanks: <u> 8 </u>	Water Tanks: <u> </u>	Separators: <u> 5 </u>	Electric Motors: <u> </u>
Gas or Diesel Mortors: <u> </u>	Cavity Pumps: <u> </u>	LACT Unit: <u> </u>	Pump Jacks: <u> </u>
Electric Generators: <u> </u>	Gas Pipeline: <u> 1 </u>	Oil Pipeline: <u> </u>	Water Pipeline: <u> 1 </u>
Gas Compressors: <u> </u>	VOC Combustor: <u> 1 </u>	Oil Tanks: <u> </u>	Dehydrator Units: <u> </u>
Multi-Well Pits: <u> </u>	Pigging Station: <u> </u>	Flare: <u> </u>	Fuel Tanks: <u> </u>

Location

Lease Road:				
Type	Satisfactory/Action Required	comment	Corrective Action	Date

Signs/Marker:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
BATTERY	SATISFACTORY	AIRS ID 045-1814-001		

Emergency Contact Number (S/AR): SATISFACTORY Corrective Date:

Comment:

Corrective Action:

Good Housekeeping:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Spills:				
Type	Area	Volume	Corrective action	CA Date

☐ Multiple Spills and Releases?

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

Equipment:				
Type: Plunger Lift	# 3	Satisfactory/Action Required:	SATISFACTORY	
Comment				
Corrective Action				Date:
Type: Gas Meter Run	# 0	Satisfactory/Action Required:	SATISFACTORY	
Comment				
Corrective Action				Date:
Type: Ancillary equipment	# 1	Satisfactory/Action Required:	SATISFACTORY	
Comment	Chemical unit at wellhead			
Corrective Action				Date:
Type: Emission Control Device	# 1	Satisfactory/Action Required:	SATISFACTORY	
Comment				
Corrective Action				Date:
Type: Pig Station	# 1	Satisfactory/Action Required:	SATISFACTORY	
Comment				
Corrective Action				Date:
Type: Horizontal Heated Separator	# 4	Satisfactory/Action Required:	SATISFACTORY	
Comment				

Corrective Action	Date:
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Facilities: ☐ New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
METHANOL	1	OTHER	STEEL AST	,

S/AR	SATISFACTORY	Comment:	Centralized battery
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Corrective Action:	Corrective Date:
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Paint

Condition	Adequate
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Other (Content) _____

Other (Capacity) 500gal _____

Other (Type) _____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance

Corrective Action	Corrective Date
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Comment

Facilities: ☐ New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
CONDENSATE	3	400 BBLS	STEEL AST	39.397100,-107.797420

S/AR	SATISFACTORY	Comment:
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Corrective Action:	Corrective Date:
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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
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Comment

Venting:

Yes/No	NO
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Comment

Flaring:

Type	Satisfactory/Action Required
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Comment: _____

Corrective Action:	Correct Action Date:
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Predrill

Site ID: 297765

Lease Road Adeq.: _____

Pads: _____

Soil Stockpile: _____

S/AR: _____

Corrective Action: _____

Date: _____

CDP Num.: _____

Form 2A COAs:

Group	User	Comment	Date
Agency	kubeczkod	The moisture content of any drill cuttings in a cuttings pit, trench, or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts. At the time of closure, the drill cuttings must also meet the applicable standards of table 910-1.	03/07/2010
Agency	kubeczkod	No portion of any pit that will be used to hold liquids shall be constructed on fill material, unless the pit and fill slope are designed and certified by a professional engineer, subject to review and approval by the director prior to construction of the pit. The construction and lining of the pit shall be supervised by a professional engineer or their agent. The entire base of the pit must be in cut.	03/07/2010
Agency	kubeczkod	Location is in a sensitive area because of close proximity to surface water, therefore, operator must ensure 110 percent secondary containment for any volume of fluids contained at well site during drilling and completion operations.	03/07/2010
Agency	kubeczkod	Operator must implement best management practices to contain any unintentional release of fluids.	03/07/2010

S/AR: SATISFACTORY

Comment:

No drilling or completions being performed at time of inspection, No visual sign of pits or cuttings

CA: _____

Date: _____

Wildlife BMPs:

BMP Type	Comment
PROPOSED BMPs	<p>PROPOSED BMP's</p> <p>LARAMIE ENERGY I, LLC</p> <p>West Mamm Project</p> <p>Sec. 29 & 32, Twn 7S, Rng 93W 6th PM</p> <p>Sec. 5, Twn. 8S, Rng. 93W 6th PM</p> <p>Garfield County, CO</p> <p>Locations</p> <p>Johnson 32 -03 Pad Johnson 05 -03 Pad</p> <p>Johnson 05 -05 Pad Johnson 05 -06 Pad</p> <p>Johnson 05 -07 Pad</p> <p>Stormwater Management</p> <p>Stormwater Management will be managed under (Laramie Energy II) LE II's Stormwater Management Plan known as the "West Mamm Creek Project" under CDPHE General Permit No. COR- 03E157. The permit and will be amended to include any additional disturbance.</p>

Prior to construction a stormwater "perimeter" will be built around the site for initial work purposes. Once the pad construction is completed, LE II's Stormwater Administrator will inspect the site and install any necessary Erosion Control Devices to manage sediment discharge from the pad. These devices may include but are not limited to:

- Rock Check dams
- Settling ponds
- Straw waddles
- Silt Fencing (used sparingly)

Once the final stormwater Erosion Control Devices are installed they will be mapped in GIS and a diagram of the site will be drafted and included as part of the Stormwater Documentation as required by the CDPHE General Permit.

Each site will be inspected every 14 days and 72 hrs after any major storm event. These inspections will be recorded and documented in the Stormwater Manual onsite and any necessary repairs or modifications will be made and documented.

Spill Prevention Control and Counter Measures(SPCC)

Once the wells are drilled and completed onsite Laramie Energy II's "West Mamm Creek" SPCC plan will be amended to include the sites as part of the plan.

Laramie Energy II, LLC

LARAMIE ENERGY II, LLC

Best Management Practices (BMP's)

To Reduce Impacts to Wildlife

For Operations in the

Piceance Basin

In an effort to minimize the impacts to wildlife, the following BMP's are part of Laramie Energy II's (LEII) standard operating procedures for drilling and operations within the Piceance Basin. This list is a partial of LEII's policy. LEII will attempt to incorporate as much as possible the CDOW's "Actions to

Minimize Adverse Impacts to Wildlife Resources" as dated October 27, 2008, unless those actions will impede upon LEII's lease rights and the wishes of surface owners who LEII has signed Surface Use and Access Agreements (SUA's).

Initial Stages for Infrastructure and Roads

1. Road design and General

- No firearms, no dogs on location, and no feeding of wildlife.
- Minimize the amount of traffic on lease roads within 3 hours of sunrise and sunset.
- Use existing routes as much as possible to avoid new disturbance and habitat fragmentation and minimize new road construction.
- Maximize the topography as much as possible in designing roads to reduce, visual, noise, impacts, etc.
- Participate in road sharing agreements with other Operators when possible.
- Design and surface roads based on the traffic, speed, and type of vehicles to reduce, dust, mud, and environmental damage.
- Locate roads away from riparian areas and bottoms of drainages as much as possible or re-route entirely.
- Obtain Army Corp of Engineer Permits for any stream crossings prior to construction.
- Analyze crossings and flow characteristics to determine the best method of crossing, (i.e. culvert, bridge, or low water).
- Armor all stream crossings to reduce erosion and to comply with Stormwater Requirements.
- Implementation of fugitive dust control measures including but not limited to water or magnesium chloride applications, and road surfacing.
- Limit traffic to the minimum needed for safe and efficient operations.
- No driving or parking off of disturbed areas.
- Install and use locked gates or other means when allowed by landowner or Federal Agencies to prevent unauthorized travel on roads and rights-of ways.

2. Well pad design and location

- Locate well pads to maximize directional drilling practices. LEII currently plans and attempts to locate pads for 16 -20 wells which equates to roughly 4 well pads per section.
- Design each location to accommodate both current and future gas production.
- Locate well pads to minimize disturbance yet maximize use to reduce surface impacts.
- Review State and Federal GIS mapping to avoid Sensitive Wildlife Habitat (SWH), Restricted Surface Occupancy (RSO) areas, steep slopes, etc., as much as possible with roads and pad location.
- Design and install gathering lines within the disturbed area of new roads and adjacent to as much as possible to reduce disturbance construction.

PROPOSED BMPs

- Design Rights-of Way widths to the minimum needed for safe and efficient construction of pipelines
- Remote Telemetry for production operations

3. Drilling and Production Operations

- Implement remote telemetry in all operations
- Where topographically possible and subject to landowner approval, use centralized water gathering and transportation systems.
- Install exclusionary devices to prevent bird and other wildlife access to equipment stacks, vents, and openings.
- Locate facilities to minimize visual effects (e.g. paint color, screening, etc.)
- LEII implements a closed system in its operations. No fluid pits are constructed or used during drilling or completion operations.
- LEII implements an aggressive weed management program. LEII incorporates and uses the BLM Glenwood Springs Energy Office's "Noxious and Invasive Weed Management Plan for Oil and Gas Operators- March 2007" for all operations. Each spring, Laramie inventories all pads, roads, and pipelines to insure no noxious weeds have been introduced. If noxious weeds are found, the county will be notified and the weeds will be treated. Weeds are continuously monitored and treated throughout the growing season. Only herbicides approved by the EPA and State are used by certified weed applicators.

4. Reclamation

- Strip and segregate topsoil from other soil horizons during pad, road, and pipeline construction.
- Minimize topsoil degradation by windrowing no higher than 5 feet when possible.
- Immediately seed topsoil to reduce erosion and prevent weed establishment and maintain soil microbial activity.
- Use only certified weed free native seed mixes, unless recommended otherwise by Federal Agencies or the Landowner.
- Use locally adapted seed when available.
- Use diverse seed mixes to mirror the surrounding area unless recommended otherwise by Federal Agencies or the Landowner.
- Monitor re- vegetation success until a minimum of 75% of preferred perennial plant cover (no weeds) is established.
- Perform "interim" reclamation on all disturbed areas not needed for active producing operations.
- If possible, conduct interim and final reclamation during optimum periods (e.g. late fall /early winter or early spring).
- If needed, fence reclaimed areas to minimize livestock/wildlife impact until plant species have are capable of sustaining grazing.

LARAME ENERGY II, LLC

BMPS FOR

Sensitive Wildlife Habitat and Restricted Surface Occupancy

Areas Specific to Laramie Energy II, LLC

Operations Within the Piceance Basin

Garfield County, CO

Sensitive Wildlife Habitat (SWH)

Black Bear

- Initiate a food and waste /refuse management program that uses bear -proof food storage containers and trash receptacles.
- Initiate an education program that reduces bear conflicts.
- Establish policy to prohibit keeping food and trash in sleeping quarters.
- Establish policy to support enforcement of state prohibition on feeding of black bear.
- Report bear conflicts immediately to CDOW.

Deer and Elk

- Consult with CDOW GIS and Federal GIS database at the initial stage of development to identify the locations of mule deer and elk important wintering habitats and production areas. Attempt to avoid any critical habitat patches with roads and development.
- Attempt to avoid oil and gas activities within mule deer critical winter range, elk winter concentration areas, elk production areas, and migration corridors.
- Attempt to conduct post - development well site visitations between the hours of 10:00 a.m. and 3:00 p.m. and reduce well site visitations between December 1 and April 15 in mule deer critical winter range and elk winter concentration areas.
- Phase and concentrate all development activities, so that large areas of undisturbed habitat for wildlife remain and thorough reclamation occurs immediately after development and before moving to new sites. Development should progress at a pace commensurate with reclamation success.
- Gate single - purpose roads and restrict general public access to reduce traffic disruptions to wildlife.
- Avoid aggressive non - native grasses and shrubs in mule deer and elk habitat restoration.
- Reclaim mule deer and elk habitats with native shrubs, grasses, and (orbs appropriate to the ecological site disturbed.
- Restore appropriate sagebrush species or subspecies on disturbed sagebrush sites. Use locally collected seed for reseeding where possible.

S/AR: SATISFACTORY

Comment: BMPs in place

CA:

Date:

Comment:

Staking:

Inspector Name: Murray, Richard

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: 297765 Type: WELL API Number: 045-16960 Status: PR Insp. Status: PR

Producing Well

Comment: Plunger lift

Facility ID: 297766 Type: WELL API Number: 045-16961 Status: PR Insp. Status: PR

Producing Well

Comment: Plunger lift

Facility ID: 297767 Type: WELL API Number: 045-16962 Status: PR Insp. Status: PR

Producing Well

Comment: 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: _____

Emission Control Burner (ECB): Y

Comment: _____

Pilot: ONWildlife Protection Devices (fired vessels): YES**Reclamation - Storm Water - Pit****Interim Reclamation:**

Date Interim Reclamation Started: _____

Date Interim Reclamation Completed: _____

Land Use: RANGELAND, TIMBER

Comment: _____

1003a. Waste and Debris removed? 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 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 REVEGETATIONCropland

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: RANGELAND, TIMBER

Reminder: _____

Comment: _____

Inspector Name: Murray, Richard

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
		Ditches	Pass			
Drains	Pass					
Ditches	Pass					
Berms	Pass					
		Culverts	Pass			
Sediment Traps	Pass					
		Gravel	Pass			
Gravel	Pass					

S/A/V: SATISFACTOR
Y

Corrective Date: _____

Comment:

CA:

Pits: ☒ NO SURFACE INDICATION OF PIT