

**FORM
INSP**

Rev
X/15

**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:
10/18/2018
Submitted Date:
10/22/2018
Document Number:
681701107

FIELD INSPECTION FORM

Loc ID 452797 Inspector Name: Arauza, Steven On-Site Inspection 2A Doc Num: _____

Status Summary:
 THIS IS A FOLLOW UP INSPECTION
 FOLLOW UP INSPECTION REQUIRED
 NO FOLLOW UP INSPECTION REQUIRED

Findings:
5 Number of Comments
3 Number of Corrective Actions
 Corrective Action Response Requested

Operator Information:
OGCC Operator Number: 10433
Name of Operator: LARAMIE ENERGY LLC
Address: 1401 SEVENTEENTH STREET #1400
City: DENVER State: CO Zip: 80202

ANY CORRECTIVE ACTION(S) FROM PREVIOUS INSPECTIONS THAT HAVE NOT BEEN ADDRESSED ARE STILL APPLICABLE

Contact Information:

| Contact Name | Phone | Email | Comment |
|-----------------|----------------|---------------------------------------|---------------------------------|
| Spencer, Stan | | stan.spencer@state.co.us | |
| Prescott, Lorne | (970) 812-5311 | lprescott@laramie-energy.com | |
| Colby, Lou | | lou.colby@state.co.us | |
| Bankert, Wayne | | wbankert@laramie-energy.com | |
| Fischer, Alex | | alex.fischer@state.co.us | |
| , Laramie | | cogccnotifications@laramie-energy.com | All Inspections |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|-----------------|-------------|
| 452788 | WELL | DG | 10/01/2018 | | 077-10508 | BCU 0993-21-05E | EI |
| 452789 | WELL | XX | 10/29/2017 | | 077-10509 | BCU 0993-21-01E | EI |
| 452790 | WELL | DG | 10/22/2018 | | 077-10510 | BCU 0993-21-02E | EI |
| 452791 | WELL | DG | 10/09/2018 | | 077-10511 | BCU 0993-21-04W | EI |
| 452792 | WELL | DG | 09/28/2018 | | 077-10512 | BCU 0993-21-05W | EI |
| 452793 | WELL | DG | 08/31/2018 | | 077-10513 | BCU 0993-21-09E | EI |
| 452794 | WELL | DG | 09/16/2018 | | 077-10514 | BCU 0993-21-07E | EI |
| 452795 | WELL | XX | 10/29/2017 | | 077-10515 | BCU 0993-21-01W | EI |
| 452796 | WELL | DG | 09/03/2018 | | 077-10516 | BCU 0993-21-08E | EI |
| 452798 | WELL | DG | 10/13/2018 | | 077-10517 | BCU 0993-21-03W | EI |
| 452799 | WELL | DG | 10/04/2018 | | 077-10518 | BCU 0993-21-04E | EI |
| 452800 | WELL | DG | 09/19/2018 | | 077-10519 | BCU 0993-21-06E | EI |
| 452801 | WELL | DG | 08/28/2018 | | 077-10520 | BCU 0993-21-09W | EI |
| 452802 | WELL | DG | 08/24/2018 | | 077-10521 | BCU 0993-21-10W | EI |
| 452803 | WELL | DG | 08/20/2018 | | 077-10522 | BCU 0993-21-10E | EI |

| | | | | | | | |
|--------|------|----|------------|--|-----------|-----------------|----|
| 452804 | WELL | DG | 10/17/2018 | | 077-10523 | BCU 0993-21-02W | EI |
| 452805 | WELL | DG | 09/23/2018 | | 077-10524 | BCU 0993-21-06W | EI |
| 452821 | WELL | DG | 09/07/2018 | | 077-10525 | BCU 0993-21-08W | EI |
| 452831 | WELL | DG | 09/12/2018 | | 077-10526 | BCU 0993-21-07W | EI |

General Comment:

COGCC Environmental Inspection conducted in response to Interim Reclamation & Stormwater field inspection report (doc #692400233). Any corrective action(s) that have not been addressed are still applicable.

Recent precipitation events have caused failure of pad containment berm and severe erosion of fill slope on north side of pad. This environmental inspection is focused on cuttings stockpile along east side of pad, which lacked adequate secondary containment to prevent commingling of stormwater runoff on inspection date. Cuttings compliance with Table 910-1 concentrations has not been demonstrated by the operator, therefore cuttings are considered E&P waste for purposes of this report.

Operator discussed cuttings management with COGCC EPS S. Arauza via phone on 10/22/2018, per corrective action included in Stormwater field inspection report. See Waste Management and Spill/Remediation sections of this report for additional corrective actions regarding cuttings management on pad.

Location

Overall Good:

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Good Housekeeping:

| | | | |
|--------------------|--|-------|------------|
| Type | STORAGE OF SUPL | | |
| Comment: | Chemical and equipment storage issues from previous FIR remained unaddressed as of October 18, 2018. See photos. | | |
| Corrective Action: | Refer to field inspection report doc #692400233 (Storm Water section) for corrective actions. | Date: | 10/24/2018 |

Overall Good:

Spills:

| Type | Area | Volume | | |
|------|------|--------|--|--|
| | | | | |

In Containment: No

Comment:

Multiple Spills and Releases?

Venting:

| | | | |
|--------------------|--|-------|--|
| Yes/No | | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Flaring:

| | | |
|--------------------|--|-------|
| Type | | |
| Comment: | | |
| Corrective Action: | | Date: |

Inspected Facilities

| | | | | |
|----------------------------|-------------------|------------------------------|-------------------|-------------------------|
| Facility ID: <u>452788</u> | Type: <u>WELL</u> | API Number: <u>077-10508</u> | Status: <u>DG</u> | Insp. Status: <u>EI</u> |
| Facility ID: <u>452789</u> | Type: <u>WELL</u> | API Number: <u>077-10509</u> | Status: <u>XX</u> | Insp. Status: <u>EI</u> |
| Facility ID: <u>452790</u> | Type: <u>WELL</u> | API Number: <u>077-10510</u> | Status: <u>DG</u> | Insp. Status: <u>EI</u> |
| Facility ID: <u>452791</u> | Type: <u>WELL</u> | API Number: <u>077-10511</u> | Status: <u>DG</u> | Insp. Status: <u>EI</u> |
| Facility ID: <u>452792</u> | Type: <u>WELL</u> | API Number: <u>077-10512</u> | Status: <u>DG</u> | Insp. Status: <u>EI</u> |
| Facility ID: <u>452793</u> | Type: <u>WELL</u> | API Number: <u>077-10513</u> | Status: <u>DG</u> | Insp. Status: <u>EI</u> |
| Facility ID: <u>452794</u> | Type: <u>WELL</u> | API Number: <u>077-10514</u> | Status: <u>DG</u> | Insp. Status: <u>EI</u> |
| Facility ID: <u>452795</u> | Type: <u>WELL</u> | API Number: <u>077-10515</u> | Status: <u>XX</u> | Insp. Status: <u>EI</u> |
| Facility ID: <u>452796</u> | Type: <u>WELL</u> | API Number: <u>077-10516</u> | Status: <u>DG</u> | Insp. Status: <u>EI</u> |
| Facility ID: <u>452798</u> | Type: <u>WELL</u> | API Number: <u>077-10517</u> | Status: <u>DG</u> | Insp. Status: <u>EI</u> |
| Facility ID: <u>452799</u> | Type: <u>WELL</u> | API Number: <u>077-10518</u> | Status: <u>DG</u> | Insp. Status: <u>EI</u> |
| Facility ID: <u>452800</u> | Type: <u>WELL</u> | API Number: <u>077-10519</u> | Status: <u>DG</u> | Insp. Status: <u>EI</u> |
| Facility ID: <u>452801</u> | Type: <u>WELL</u> | API Number: <u>077-10520</u> | Status: <u>DG</u> | Insp. Status: <u>EI</u> |
| Facility ID: <u>452802</u> | Type: <u>WELL</u> | API Number: <u>077-10521</u> | Status: <u>DG</u> | Insp. Status: <u>EI</u> |
| Facility ID: <u>452803</u> | Type: <u>WELL</u> | API Number: <u>077-10522</u> | Status: <u>DG</u> | Insp. Status: <u>EI</u> |
| Facility ID: <u>452804</u> | Type: <u>WELL</u> | API Number: <u>077-10523</u> | Status: <u>DG</u> | Insp. Status: <u>EI</u> |
| Facility ID: <u>452805</u> | Type: <u>WELL</u> | API Number: <u>077-10524</u> | Status: <u>DG</u> | Insp. Status: <u>EI</u> |
| Facility ID: <u>452821</u> | Type: <u>WELL</u> | API Number: <u>077-10525</u> | Status: <u>DG</u> | Insp. Status: <u>EI</u> |
| Facility ID: <u>452831</u> | Type: <u>WELL</u> | API Number: <u>077-10526</u> | Status: <u>DG</u> | Insp. Status: <u>EI</u> |

Environmental

Waste Management:

| Type | Management | Condition | GPS (Lat) | (Long) |
|-------------------|--|------------|-----------|------------------|
| Drill Cuttings | Piles | Inadequate | | |
| Comment | Unknown volume of drill cuttings spread atop cut slope on east side of pad. Cuttings stockpile lacks secondary containment berm and stormwater BMPs to prevent migration of sediment and stormwater runoff. Operator does not have waste management plan or cuttings analytical results on file with COGCC for the subject location. See FIR #692400233 for stormwater BMP corrective actions applicable to cuttings stockpile. | | | |
| Corrective Action | Immediately implement temporary solutions to control stormwater, per previous Field Inspection Report. Operator shall submit a Rule 907.a.(3) E&P Waste Management Plan for COGCC approval, via eForm 4 Sundry Notice, that describes cuttings generation, volume, management, sampling for 910-1 compliance, management for non-compliant cuttings, and final disposition. This waste management plan shall include all analytical results collected to date from cuttings stored on pad and a site diagram depicting cuttings locations. | | | Date: 11/06/2018 |

Spill/Remediation:

| | | | |
|--------------------|--|--|------------------|
| Comment: | Cuttings stockpiled on location lack adequate secondary containment berms and stormwater BMPs to prevent migration and commingling of material with precipitation on pad. Stormwater runoff and sediment transport from cuttings pile due to recent precipitation thereby threaten environmental impacts on- and off-site. See field photos. | | |
| Corrective Action: | Submit an eForm 19 Spill/Release Report to document stormwater runoff from cuttings pile due to recent precipitation. Investigate, clean up, and document impacts, per Rule 906. | | Date: 10/25/2018 |

Emission Control Burner (ECB): _____

Comment: _____

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

Attached Documents

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

| Document Num | Description | URL |
|--------------|-----------------------|---|
| 681701109 | 20181018 Field Photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4617268 |