

FORM
INSPRev
X/20State of Colorado
Oil and Gas Conservation Commission1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109

Inspection Date:

06/17/2024

Submitted Date:

06/25/2024

Document Number:

698602125

FIELD INSPECTION FORM

 Loc ID 316887 Inspector Name: St John, William (Cal) On-Site Inspection 2A Doc Num:
Operator Information:

ECMC Operator Number: 10657

Name of Operator: PCR OPERATING LLC

Address: 9211 BROADWAY ST #17493

City: SAN ANTONIO State: TX Zip: 78217

Status Summary:

- THIS IS A FOLLOW UP INSPECTION
- FOLLOW UP INSPECTION REQUIRED
- NO FOLLOW UP INSPECTION REQUIRED

Findings:

25 Number of Comments

12 Number of Corrective Actions

-
- Corrective Action Response Requested

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

Contact Name	Phone	Email	Comment
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Person, Steve		sperson@passcreekresources.com	
Pesicka, Conor		conor.pesicka@state.co.us	
, Engineering		dnr_ecmc_engineering@state.co.us	
Quint, Craig		craig.quint@state.co.us	E Compliance Supervisor
Hataway, Billy		bhataway@passcreekresources.com	
MacLaren, Joe	970-382-1680	joe.maclaren@state.co.us	Integrity Engineer Tech
, Enforcement		dnr_cogccenforcement@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
266544	WELL	SI	01/24/2011	GW	115-06056	PRICE 13-25	SI
268516	PIT	AC	07/15/2003		-	PRICE 13-25	AC

General Comment:

Routine inspection. This inspection is not a follow up inspection. In reviewing Electronic Well File and previous Inspection Reports it was discovered that issued Corrective Actions from 09/03/2021 Field Inspection document number 698600703 have not been addressed and are included in this FIR. This Inspection does not release the operator of any previously identified compliance issues requiring corrective action or response except as noted in this FIR.

On 09/03/2021 Well was discovered to be actively venting through packing/cap on well. The release volume is surging as pressure builds and is released. Visual inspection around wellbore suggest that the well was not bringing fluids to the surface. Inspector called the emergency contact number on wellhead sign and spoke with a Contract Lease Operator who accepted notification of active venting. At that time it was believed that Operator Fortigen Resources LLC was the Operator of record based on signage at the well location. Lease Operator said the sign was wrong and had not been updated and the well was operated by WME Yates LLC. WME Yates LLC responded and facilitated repairs at the wellhead to stop active release. It was later determined that the well's operation was surrounded in confusion and the well remained PCR Operating LLC responsibility. FIR Document Number 698600703 was routed to PCR Operating LLC to address corrective actions.

Well history in Electronic Well File indicates that on 05/25/2017 Form 10, Document Number 401287796 was submitted to change Operator from Black Raven Energy Inc., Operator Number 10203 to PCR Operating LLC, Operator Number 10657. The Price 13-15, API Number 115-06056 was included in the list of wells to be transferred. The Form 10 was approved by COGCC on 07/19/2017 transferring 198 of 200 wells to PCR Operating LLC. The Price 13-15, API Number 115-06056 was on the approved list. Then on 07/18/2018 another Form 10, Document Number 2302616 was submitted to change Operator from PCR Operating LLC, Operator Number 10657 to Fortigen Resources LLC, Operator Number 10704. The Price 13-15, API Number 115-06056 was included in the list of wells to be transferred. The Form 10 was approved by COGCC on 12/12/2018 transferring 30 of 31 wells to Fortigen Resources LLC. This time the Price 13-15, API Number 115-06056 was struck from the list and not approved for transfer and remained with PCR Operating LLC as Operator of record.

Review of additional documents for wells operated and later transferred by Fortigen Resources LLC, Operator Number 10704 to other Operators as they transferred assets in the company shut down does not indicate they attempted to transfer the Price 13-15, API Number 115-06056. Fortigen Resources LLC is no longer active Operator in Colorado.

Location			
Lease Road:			
	Type Access		
comment:	Two track off State Highway 59. Access to well location is barely visible as vegetation growth is covering tracking.		
Corrective ActionL		Date:	
Overall Good: <input type="checkbox"/>			
Signs/Marker:			
	Type WELLHEAD		
Comment:	Sign reflects that Fortigen Resources is the operator but scout card shows PCR Operating LLC is the operator of record. At time of this inspection wellhead sign appears to have been updated to reflect WME Yates LLC.		
Corrective Action:	Comply with Rule 605.d. Corrective action date remains the same to document period of non-compliance.	Date:	<u>11/08/2021</u>
	Type OTHER		
Comment:	Production Facility. Sign reflects that Fortigen Resources is the operator but scout card shows PCR Operating LLC is the operator of record. At time of this inspection wellhead sign appears to have been updated to reflect WME Yates LLC.		
Corrective Action:	Comply with Rule 605.d. Corrective action date remains the same to document period of non-compliance.	Date:	<u>11/08/2021</u>
Emergency Contact Number:			
Comment:	Current Emergency Contact Numbers do not work. Emergency Contact Number label at Production Facility has peeled off and is unreadable. Emergency Contact Number 888-991-7671 posted at well location has been disconnected.		
Corrective Action:	Install sign to comply with Rule 605.d.	Date:	<u>07/26/2024</u>
Good Housekeeping:			
Type	WEEDS		
Comment:	Vegetation has not been controlled and has grown around separator, wellhead, and inside fencing at pumping unit.		
Corrective Action:	Comply with Rule 606.c. Corrective action date remains the same to document period of non-compliance.	Date:	<u>09/19/2021</u>
Type	TRASH		
Comment:	Trash and debris inside separator house.		
Corrective Action:	Comply with Rule 606.d. Corrective action date remains the same to document period of non-compliance.	Date:	<u>09/19/2021</u>
Overall Good: <input type="checkbox"/>			
Spills:			
Type	Area	Volume	
In Containment: No			
Comment:	<input style="width: 100%;" type="text"/>		
<input type="checkbox"/> Multiple Spills and Releases?			

Fencing/:			
Type	PUMP JACK		
Comment:	Post and wire fencing (Livestock Panels) around pumping unit.		
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:	Post and Livestock (wire) panels combined with stock panels around pumping unit and wellhead. Wooden post has broken off and wire panels are separated opening fencing and requiring repair to keep livestock out of and off wellhead or from becoming trapped inside fencing. Tracking indicate cattle have been inside fenced area.		
Corrective Action:	Repair and maintain fencing to comply with rule 603.h.	Date:	07/02/2024
Equipment:			corrective date
Type: Vertical Separator	# 1		
Comment:	Inside remote separator/meter shed. Inlet and outlet valves closed.		
Corrective Action:		Date:	
Type: Gas Meter Run	# 1		
Comment:	Remote Gas Meter Run located at access and State Highway intersection. Digital Gas Meter Run. Meter Calibration/Test Log dated 4-17-07. Well Inlet Valve open. Gas Outlet Valve not connected. Meter has not been calibrated annually and is past due calibration.		
Corrective Action:	Calibrate gas metering equipment annually to comply with rule 430.d.(1).	Date:	07/26/2024
Type: Ancillary equipment	# 1		
Comment:	Wellhead. Rods and tubing in the wellbore. Tubing valve closed. Casing valve closed.		
Corrective Action:		Date:	
Type: Other	# 1		
Comment:	Steel remote Separator/Gas Meter Shed.		
Corrective Action:		Date:	
Type: Bradenhead	# 0		
Comment:	Bradenhead is not plumbed to surface.		
Corrective Action:	Comply with Rule 419.a.(1).(2). Corrective action date remains the same to document period of non-compliance.	Date:	09/19/2021
Type: Deadman # & Marked	# 4		
Comment:	Located (4) anchors. Markers are down.		
Corrective Action:	Comply with Rule 603.j. Corrective action date remains the same to document period of non-compliance.	Date:	09/24/2021
Type: Prime Mover	# 1		
Comment:	Electric motor.		
Corrective Action:		Date:	
Type: Pump Jack	# 1		
Comment:	Polish rod is connected to the bridle.		
Corrective Action:		Date:	
Type: Ancillary equipment	# 1		
Comment:	Pump Jack Power and Control Panel.		

Corrective Action:		Date:	
Type: Flow Line	# 1		
Comment:	At Well site. Well to Separator flowline. Electronic file does not indicate off location flowline has been registered as required by Rule 1101.b.		
Corrective Action:	Comply with Rule 1101.b. Corrective action date remains the same to document period of non-compliance.	Date:	<u>10/09/2021</u>

Venting:

Yes/No	NO		
Comment:			
Corrective Action:		Date:	

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Inspected Facilities

Facility ID: 266544 Type: WELL API Number: 115-06056 Status: SI Insp. Status: SI

Idle Well

Purpose: Shut In Temporarily Abandoned Reminder: _____

Comment: Electronic file indicates well is past due required MIT for SI well status. Last MIT completed 02/19/2015 document number 400798244.
 Electronic file indicates no production or well status reported since 6/1/2018.
 06/17/2024 inspection: Rods and tubing in wellbore. Tubing valve closed. Casing valve closed. Gas Meter Run Valves: Well inlet valve open, Gas outlet valve not connected.
 Electronic Well File reflects last Production/Status reported 6/1/2018 and Well Status as SI. Based on current valve settings at time of inspection the well is SI.

Corrective Action: Well must be either:
 1) Per COGCC Rule 326.b.(1) a successful mechanical integrity test shall be performed on each shut-in well within two (2) years of the initial shut-in date or
 2) Be properly plugged and abandoned . Shut-in and temporarily abandoned wells must be properly reported on COGCC Form 7, Operator's Monthly Production Report.
 Submit required Form 7's to COGCC to comply with Rule 413.
 Corrective action required by 10/09/2021.
 Corrective action date remains the same to document period of non-compliance.

Date: 09/19/2021

The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

Facility ID: 268516 Type: PIT API Number: - Status: AC Insp. Status: AC

The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

Reclamation - Storm Water - Pit

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Compaction	Pass	Compaction	Pass			

Comment: No storm water issues noted at time of inspection. Lease access road to well location is barely visible as vegetation growth is covering tracking.

Corrective Action: Date: _____

Pits: NO SURFACE INDICATION OF PIT

Type: Produced Water Lined: NO Pit ID: 268516 Lat: 40.815125 Long: -102.555282

Reference Point: _____ Other: _____ Length: 100 Width: 60

Lining:

Liner Type: _____ Liner Condition: _____

Comment: Electronic file idicates Form 27 for the pit remediation was approved by COGCC 07/03/2017 document number 401323508 but field observations indicate work has not been completed.

Corrective Action: Comply with Rule 913.
Corrective action date remains the same to document period of non-compliance. Date: 09/24/2021

Fencing:

Fencing Type: _____ Fencing Condition: _____

Comment:

Corrective Action: Date: _____

Netting:

Netting Type: _____ Netting Condition: _____

Comment:

Corrective Action: Date: _____

Anchor Trench Present: _____ Oil Accumulation: _____ 2+ feet Freeboard: _____

Comment:

Corrective Action: Date: _____

ECMC Comments

Comment	User	Date
<p>"Copied comment from previous inspection completed 09/03/2021 Document Number 698600703." - While researching the Price 13-25 in the electronic well file to document current conditions and outstanding compliance issues it was discovered by the inspector that there are questions surrounding the actual approved Form 10 operator for this location. At the time of inspection based on the phone call placed on 9/3/2021 to the emergency contact number posted on the wellhead sign it was believed that WME Yates LLC was the operator of record. WME Yates LLC while questioning responsibility did respond to the COGCC and had the gas leak at the wellhead repaired. Additional research indicates that the well does not belong to WME Yates LLC. Records indicate that this well was never transferred from PCR Operating LLC to Fortigen Resources LLC as submitted but remained the responsibility of PCR Operating LLC (Form 10 07/19/2018 Doc# 2302616). The assets Fortigen Resources LLC bought from PCR have since been sold to WME Yates LLC (Form 10, 05/08/2020 Doc# 402394065). Electronic file indicates Fortigen Resources no longer holds any assets registered with COGCC. PCR Operating LLC and WME Yates LLC are both active operators within the state of Colorado.</p> <p>"Added and updated comment." - WME Yates LLC is no longer active Operator in Colorado.</p>	stjohnw	06/25/2024

Attached Documents

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

Document Num	Description	URL
403835933	INSPECTION SUBMITTED	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6601234
698602140	09032021 Inspection Photos.	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6601228
698602141	06172024 Inspection Photos.	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6601229