

FORM INSP Rev 05/11	State of Colorado Oil and Gas Conservation Commission <small>1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109</small>		DE	ET	OE	ES
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FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Tracking Type	Inspector Name: HICKEY, MIKE
	298497	335918		

Inspection Date: 05/30/2012

Document Number: 667600363

Overall Inspection:

Violation

Operator Information:

OGCC Operator Number: 8840 Name of Operator: BLUE CHIP OIL INC

Address: 155 E BOARDWALK DR STE 400

City: FORT COLLINS State: CO Zip: 80525

Contact Information:

Contact Name	Phone	Email	Comment
	970-493-6456	bluechipoil@msn.com	

Compliance Summary:

QtrQtr: SENW Sec: 8 Twp: 1S Range: 67W

Inspector Comment:

Routine inspection of new well API #05-001-09677, Stonehocker #21-8. There is no signage on this location.

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	
298496	WELL	PR	04/17/2010	GW	001-09676	STONEHOCKER 22-8H	X
298497	WELL	PR	03/16/2011	LO	001-09677	STONEHOCKER 21-8	X
298498	WELL	PR	04/17/2010	GW	001-09678	STONEHOCKER 12-8H	X
298502	WELL	PR	03/16/2011	LO	001-09679	STONEHOCKER 11-8H	X

Equipment: Location Inventory

Special Purpose Pits: _____	Drilling Pits: <u>1</u>	Wells: <u>4</u>	Production Pits: _____
Condensate Tanks: _____	Water Tanks: <u>3</u>	Separators: <u>2</u>	Electric Motors: _____
Gas or Diesel Mortors: _____	Cavity Pumps: _____	LACT Unit: _____	Pump Jacks: _____
Electric Generators: _____	Gas Pipeline: <u>1</u>	Oil Pipeline: _____	Water Pipeline: _____
Gas Compressors: _____	VOC Combustor: _____	Oil Tanks: <u>3</u>	Dehydrator Units: _____
Multi-Well Pits: _____	Pigging Station: _____	Flare: _____	Fuel Tanks: _____

Location

Signs/Marker:

Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
WELLHEAD	Violation		Install sign to comply with rule 210.b.	06/29/2012
TANK LABELS/PLACARDS	Unsatisfactory	Produced water tank is not labelled.	Label produced water tank with contents and capacity.	06/29/2012
BATTERY	Violation		Install sign to comply with rule 210.b.	06/29/2012
TANK LABELS/PLACARDS	Satisfactory	Oil tanks are labelled adequately.		

Inspector Name: HICKEY, MIKE

Emergency Contact Number: (S/U/V) _____ Violation _____ Corrective Date: 06/29/2012

Comment: _____

Corrective Action: Provide emergency contact on this location.

Good Housekeeping:				
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
UNUSED EQUIPMENT	Unsatisfactory		Remove unused wellhead plumbing parts.	06/29/2012

Spills:				
Type	Area	Volume	Corrective action	CA Date
<input type="checkbox"/> Multiple Spills and Releases?				

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

Equipment:					
Type	#	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
Plunger Lift	4	Satisfactory			
Emission Control Device	1	Satisfactory			
Bird Protectors	4	Satisfactory			
Gas Meter Run	3	Satisfactory			
Horizontal Separator	3	Satisfactory			

Facilities: New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	1	100 BBLS	PBV FIBERGLASS	,

S/U/V: Satisfactory Comment: _____

Corrective Action: _____ Corrective Date: _____

Paint

Condition: _____

Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms				
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance

Corrective Action: _____ Corrective Date: _____

Comment: _____

Facilities:		<input type="checkbox"/> New Tank	Tank ID: _____		
Contents	#	Capacity	Type	SE GPS	
CRUDE OIL	3	300 BBLS	STEEL AST	39.981780,104.913040	
S/U/V:	Satisfactory		Comment: _____		
Corrective Action:				Corrective Date:	
Paint					
Condition	Adequate				
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	
Comment					
Venting:					
Yes/No		Comment			
Flaring:					
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date	

Predrill				
Location ID: 335918				
Site Preparation:				
Lease Road Adeq.: _____		Pads: _____		Soil Stockpile: _____
Corrective Action: _____		Date: _____		CDP Num.: _____
Form 2A COAs:				
Comment: _____				
CA: _____				Date: _____
Wildlife BMPs:				

BMP Type	Comment
PROPOSED BMPs	<p>BLUE CHIP OIL</p> <p>BEST MANAGEMENT PRACTICE SUMMARY</p> <p>A stormwater management plan (SWMP) is in place to ensure compliance with the Colorado Oil & Gas Conservation Commission and the Colorado Department of Health and Environment requirements. Blue Chip Oil utilizes sediment containment systems which include silt fencing, straw bales, berms, erosion control blankets, etc. BMP's used will vary according to site slopes, drainage patterns, and other site-specific conditions. A copy of the SWMP is kept in our office.</p> <p>Spill Prevention Control and Countermeasure (SPCC) is in place to address any spills associated with Blue Clip Oil & gas operations.</p> <p>Any waste and trash will remove from the site for disposal.</p> <p>Routine maintenance will be limited to fueling and lubrication of equipment. Drip pans will be used during fueling and maintenance to contain spills or leaks. Hay bales will be placed as sound barriers on location that are close to residence as reured.</p>

Comment: _____

CA: _____ **Date:** _____

Stormwater:

Erosion BMPs	Present	Other BMPs	Present

Corrective Action: _____ Date: _____

Comments: Erosion BMPs: _____

Other BMPs: _____

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: 298496 Type: WELL API Number: 001-09676 Status: PR Insp. Status: PR

Producing Well
Comment:

Facility ID: 298497 Type: WELL API Number: 001-09677 Status: PR Insp. Status: PR

Producing Well
Comment:

Facility ID: 298498 Type: WELL API Number: 001-09678 Status: PR Insp. Status: PR

Producing Well
Comment:

Facility ID: 298502 Type: WELL API Number: 001-09679 Status: PR Insp. Status: PR

Producing Well
Comment:

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): _____

Comment: _____

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

Reclamation - Storm Water - Pit

Interim Reclamation:

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: DRY LAND

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: RESIDENTIAL

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 _____

Non cropland: Revegetated 80% _____ Cropland: perennial forage _____

Weeds present _____ Subsidence _____

Comment: _____

Corrective Action: _____ Date _____

Overall Final Reclamation

Storm Water:						
Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment

S/U/V: _____ Corrective Date: _____

Comment: _____

CA: _____