

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



| | | | |
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| DE | ET | OE | ES |
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Inspection Date:
11/29/2012

Document Number:
669400305

Overall Inspection:

Violation

FIELD INSPECTION FORM

| | | | | |
|---------------------|-------------|--------|---------------|----------------------------------|
| Location Identifier | Facility ID | Loc ID | Tracking Type | Inspector Name: LABOWSKIE, STEVE |
| | 258202 | 333934 | | |

Operator Information:

| | | | |
|-----------------------|--------------------|-------------------|-----------------------|
| OGCC Operator Number: | <u>100264</u> | Name of Operator: | <u>XTO ENERGY INC</u> |
| Address: | <u>382 CR 3100</u> | | |
| City: | <u>AZTEC</u> | State: | <u>NM</u> |
| | | Zip: | <u>87410</u> |

Contact Information:

| Contact Name | Phone | Email | Comment |
|------------------|-----------------------------------|-------------------------------|--------------------------------------|
| Littrell, Kyle | | kyle_littrell@xtoenergy.com | Durango |
| Harrison, Lyndon | | lyndon_harrison@xtoenergy.com | Durango, Raton |
| Montoya, Sam | (719) 846-0272/ (719) 429-3529 | sam_montoya@xtoenergy.com | EH&S Coordinator (Trinidad, Durango) |
| Percell, Bob | (970) 247-7708/ (719) 342-1150 | bob_percell@xtoenergy.com | Durango District Operations |
| SPRAY, KAREN | | karen.spray@state.co.us | |
| Kardos, Kelly | | kelly_kardos@xtoenergy.com | Piceance |

Compliance Summary:

QtrQtr: NESE Sec: 1 Twp: 32N Range: 7W

| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Unsatisfactory | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|------------------------------|----------|----------------|-----------------|
| 05/21/2008 | 200190186 | BH | PR | S | | | N |
| 11/22/2006 | 200107605 | PR | PR | S | | P | N |
| 10/11/2005 | 200080344 | PR | PR | S | | P | N |
| 11/17/2003 | 200049342 | PR | PR | S | | P | N |
| 10/10/2002 | 200032251 | PR | PR | S | | P | N |
| 08/05/2002 | 200030892 | PR | PR | S | | P | N |

Inspector Comment:

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | |
|-------------|------|--------|-------------|------------|-----------|---------------|---|
| 213900 | WELL | PA | 04/09/1998 | GW | 067-05169 | J FRED HILL 1 | |
| 258202 | WELL | PR | 12/01/2010 | GW | 067-08335 | SQUIRES 2 | X |
| 301405 | WELL | PR | 11/16/2009 | GW | 067-09702 | SQUIRES 3 | X |

Equipment:

Location Inventory

| |
|--|
| |
|--|

| | | | |
|-----------------------------|------------------------|---------------------|-------------------------|
| Special Purpose Pits: _____ | Drilling Pits: _____ | Wells: _____ | Production Pits: _____ |
| Condensate Tanks: _____ | Water Tanks: _____ | Separators: _____ | Electric Motors: _____ |
| Gas or Diesel Motors: _____ | 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

| Signs/Marker: | | | | |
|----------------------|-----------------------------|--|---|------------|
| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| CONTAINERS | | lube oil tanks need some sort of contents and NFPA | | |
| WELLHEAD | Satisfactory | | | |
| TANK LABELS/PLACARDS | Unsatisfactory | no labels or placards on produced water tank | Install sign to comply with rule 210.d. | 01/01/2013 |

Emergency Contact Number: (S/U/V) Satisfactory Corrective Date: _____

Comment: _____

Corrective Action: _____

| Spills: | | | | |
|----------------|-----------|----------|---|------------|
| Type | Area | Volume | Corrective action | CA Date |
| Produced Water | Pump Jack | > 5 bbls | ensure releases/leaks have stopped, file Form 19 and follow-up with COGCC EPS Karen Spray | 12/08/2012 |

Multiple Spills and Releases?

| Fencing/: | | | | |
|------------------|-----------------------------|--|-------------------|---------|
| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| TANK BATTERY | Satisfactory | mesh fencing | | |
| PUMP JACK | Satisfactory | sound walls around 1/2 of #2 well | | |
| OTHER | Satisfactory | sep/meter run fenced with stock panels | | |

| Equipment: | | | | | |
|-----------------------------|---|-----------------------------|--|---------------------------|------------|
| Type | # | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| Flow Line | 2 | Satisfactory | | | |
| Bird Protectors | 2 | Satisfactory | | | |
| Gas Meter Run | 2 | Satisfactory | | | |
| Pump Jack | 2 | Violation | Suies #3 leaking or recently fixed, see "spills" | verify leaks have stopped | 12/03/2012 |
| Horizontal Heated Separator | 2 | Satisfactory | | | |
| Prime Mover | 2 | Satisfactory | | | |
| Ancillary equipment | 4 | | telemetry | | |

| | | |
|---------------------|---|-----------------------------|
| Ancillary equipment | 2 | buried culvert valve access |
|---------------------|---|-----------------------------|

Facilities: New Tank Tank ID: _____

| Contents | # | Capacity | Type | SE GPS |
|----------------|---|----------|-----------|-----------------------|
| PRODUCED WATER | 1 | OTHER | PBV STEEL | 37.043260,-107.553810 |

S/U/V: Satisfactory Comment: see "signs and markers" for tank labeling. Note: tank is a little rusty, due for painting soon (summer).

Corrective Action: _____ Corrective Date: 01/06/2013

Paint

Condition Adequate

Other (Content) _____

Other (Capacity) unknown _____

Other (Type) _____

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|-------|----------|---------------------|---------------------|-------------|
| Earth | Adequate | Walls Sufficient | Base Sufficient | Adequate |

Corrective Action _____ Corrective Date _____

Comment _____

Facilities: New Tank Tank ID: _____

| Contents | # | Capacity | Type | SE GPS |
|----------|---|----------|-----------|--------|
| LUBE OIL | 2 | OTHER | STEEL AST | , |

S/U/V: Satisfactory Comment: see "signs and markers"

Corrective Action: _____ Corrective Date: _____

Paint

Condition Adequate

Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|------|----------|---------------------|---------------------|-------------|
| | | | | |

Corrective Action _____ Corrective Date _____

Comment adequate spill prevention, small bermed area

Venting:

| | |
|--------|---------|
| Yes/No | Comment |
| | |

Flaring:

| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
|------|-----------------------------|---------|-------------------|---------|
| | | | | |

Predrill

Location ID: 333934

Site Preparation:

Lease Road Adeq.: _____ Pads: _____ Soil Stockpile: _____
 Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:

Comment: _____

CA: _____ **Date:** _____

Wildlife BMPs:

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: 258202 Type: WELL API Number: 067-08335 Status: PR Insp. Status: PR

Producing Well

Comment: _____

Facility ID: 301405 Type: WELL API Number: 067-09702 Status: PR Insp. Status: PR

Producing Well

Comment:

Environmental

Spills/Releases:

Type of Spill: WATER Description: stuffing box leak Estimated Spill Volume: _____

Comment:

Corrective Action: stop leaks/releases, submit Form 19 and follow-up on requirements with EPS Date: 12/07/2012

Reportable: YES 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: _____

Comment:

1003a. Debris removed? Pass CM _____ CA _____ CA Date _____

Waste Material Onsite? 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 removed? _____ CM _____ CA _____ CA Date _____

Guy line anchors marked? Pass CM _____ CA _____ CA Date _____

1003b. Area no longer in use? In Production areas stabilized? Pass

1003c. Compacted areas have been cross ripped? Pass

1003d. Drilling pit closed? Pass Subsidence over on drill pit? Pass

Cuttings management: _____

1003e. Areas no longer needed for drilling or subsequent operations for have been re-vegetated to 80% of pre-existing? In

Production areas have been stabilized? Pass Segregated soils have been replaced? Pass

RESTORATION AND REVEGETATION

Cropland

Top soil replaced Pass Recontoured Pass Perennial forage re-established In

Non-Cropland

Top soil replaced _____ Recontoured _____ 80% Revegetation _____

1003 f. Weeds Noxious weeds? P

Comment: _____

Overall Interim Reclamation In Process

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 _____

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

Weeds present _____ Subsidence _____

Comment: _____

Corrective Action: _____ Date _____

Overall Final Reclamation _____ Multi-Well Location

Storm Water:

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|--|
| Gravel | Pass | | | | | |
| Berms | Pass | | | | | |
| Compaction | Pass | | | | | |
| Ditches | Pass | | | | | |
| Tackifiers | Fail | | | | | green tackifier material has desintegrated |

S/U/V: Satisfactory Corrective Date: _____

Comment: green tackifier material not biodegradable, remove if no longer needed or install new BMP and maintain

CA: _____