

<b>FORM INSP</b>  Rev 05/11	<b>State of Colorado</b> <b>Oil and Gas Conservation Commission</b> 1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109		<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:25%;">DE</td> <td style="width:25%;">ET</td> <td style="width:25%;">OE</td> <td style="width:25%;">ES</td> </tr> </table>	DE	ET	OE	ES						
DE	ET	OE	ES										
			Inspection Date: <u>02/13/2013</u>  Document Number: <u>667500139</u>  Overall Inspection: <div style="border: 2px solid red; padding: 2px; display: inline-block; color: red; font-weight: bold;">Violation</div>										
<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:15%;">Location Identifier</td> <td style="width:15%;">Facility ID</td> <td style="width:15%;">Loc ID</td> <td style="width:15%;">Tracking Type</td> <td style="width:40%;">Inspector Name: AXELSON, JOHN</td> </tr> <tr> <td></td> <td>234283</td> <td>316998</td> <td></td> <td></td> </tr> </table>				Location Identifier	Facility ID	Loc ID	Tracking Type	Inspector Name: AXELSON, JOHN		234283	316998		
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	234283	316998											

**Operator Information:**

OGCC Operator Number: 76840 Name of Operator: SCHNEIDER ENERGY SERVICES INC

Address: P O BOX 297

City: FORT MORGAN State: CO Zip: 80701

**Contact Information:**

Contact Name	Phone	Email	Comment
Jeff Schneider	970-381-9588	JeffS@schneiderenergy.com	
SCHURE, KYM		kym.schure@state.co.us	

**Compliance Summary:**

QtrQtr: NWNE Sec: 29 Twp: 1S Range: 56W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Unsatisfactory	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
09/17/2007	200119490	PR	PR	S			N
07/26/2002	200029327	PR	PR	U		F	Y

**Inspector Comment:**

Location has numerous compliance violations - oil on produced water pit; site wide oily waste; site wide junk, trash and unused equipment; leaking dripping equipment; inadequate tank labels; uncovered tank openings; no form 27 submitted for former skim pit closure; inadequate pit permit information; dead coyote on location. Overall lack of routine maintenance. Corrective actions will include - removal of oil from produced water pit within 24-hours; remove treat/dispose oily waste; removal of all junk, trash and unused equipment; all tanks labelled with contents, capacity & NFPA label; cover tank openings; submit a Form 27 for skim pit closure & site wide oily waste cleanup; update pit permit information via Form 15 pit report; remove and properly dispose of dead coyote. Final surface reclamation of all disturbed areas.

**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name
234283	WELL	PR	10/01/2011	OW	121-06390	NUGGET UNIT-WAGERS B-1

**Equipment:** Location Inventory

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

Emergency Contact Number: (S/U/V) Violation \_\_\_\_\_ Corrective Date: 04/30/2013

Comment: Battery sign - no emergency contact #

Corrective Action: Update signs to comply with Rule 210.b.(2)

<b>Good Housekeeping:</b>				
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
UNUSED EQUIPMENT	Unsatisfactory	large amount of unused equipment - pump house, partially buried tank, ASTs, piping	Remove all unused equipment and properly recycle or dispose. Submit Form 27 for partially buried tank removal.	04/30/2013
TRASH	Unsatisfactory	large amount site wide trash & junk.	Remove and properly dispose.	04/30/2013

<b>Spills:</b>				
Type	Area	Volume	Corrective action	CA Date
Crude Oil	Treater	<= 5 bbls	remove - treat/dispose oily waste	04/30/2013
Crude Oil	Tank	<= 5 bbls	remove - treat/dispose oily waste at tanks	04/30/2013
Crude Oil	Pump Jack	<= 5 bbls	repair leaking stuffing box at wellhead	04/30/2013

Multiple Spills and Releases?

**Facilities:**  New Tank Tank ID: \_\_\_\_\_

Contents	#	Capacity	Type	SE GPS
CRUDE OIL		300 BBLS	STEEL AST	39.944602,-103.679322
S/U/V:	<b>Violation</b>	Comment: tank has corrosion holes, weeping oil & dripping valves		
Corrective Action:	If unused - remove from location. If in use - repair or replace.			Corrective Date: 04/30/2013

**Paint**

Condition: \_\_\_\_\_

Other (Content) \_\_\_\_\_

Other (Capacity) \_\_\_\_\_

Other (Type) \_\_\_\_\_

**Berms**

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance

Corrective Action		Corrective Date	
Comment			

**Facilities:**  New Tank Tank ID: \_\_\_\_\_

Contents	#	Capacity	Type	SE GPS
CRUDE OIL		OTHER	PBV STEEL	39.944674,-103.679330

S/U/V: **Violation** Comment: tank no longer in use, uncovered opening, collapsed, tank bottoms

Corrective Action: Submit Form 27 for tank removal and remediation. Properly dispose tank bottoms. Corrective Date: 04/30/2013

Paint

Condition

Other (Content) \_\_\_\_\_

Other (Capacity) \_\_\_\_\_

Other (Type) \_\_\_\_\_

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance

Corrective Action

Corrective Date

Comment

**Facilities:**  New Tank Tank ID: \_\_\_\_\_

Contents	#	Capacity	Type	SE GPS
CRUDE OIL		OTHER	STEEL AST	39.944660,-103.679132

S/U/V: **Unsatisfactory** Comment: steel bolted panel tank has nfpa label no capacity or contents

Corrective Action: update tank labels per 210.d. Corrective Date: 04/30/2013

Paint

Condition

Other (Content) \_\_\_\_\_

Other (Capacity) \_\_\_\_\_

Other (Type) \_\_\_\_\_

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance

Corrective Action

Corrective Date

Comment

**Facilities:**  New Tank Tank ID: \_\_\_\_\_

Contents	#	Capacity	Type	SE GPS	
CRUDE OIL		400 BBLS	STEEL AST	39.944603,-103.679252	
S/U/V:	Comment: Tank has corrosion holes at base, weeping oil.				
Corrective Action:	If tank is unused - remove from location. If still in use - repair or replace.			Corrective Date:	04/30/2013

Paint

Condition

Other (Content) \_\_\_\_\_

Other (Capacity) \_\_\_\_\_

Other (Type) \_\_\_\_\_

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Corrective Action				Corrective Date	
Comment					

**Facilities:**  New Tank Tank ID: \_\_\_\_\_

Contents	#	Capacity	Type	SE GPS	
PRODUCED WATER		OTHER	PBV FIBERGLASS	39.944935,-103.678996	
S/U/V: <b>Unsatisfactory</b>	Comment: Partially buried fiberglass skim tank recently installed				
Corrective Action:	Keep opening closed, properly label per 210.d.			Corrective Date:	04/30/2013

Paint

Condition

Other (Content) \_\_\_\_\_

Other (Capacity) \_\_\_\_\_

Other (Type) \_\_\_\_\_

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Corrective Action				Corrective Date	
Comment					

<b>Facilities:</b>		<input type="checkbox"/> New Tank	Tank ID: _____		
Contents	#	Capacity	Type	SE GPS	
CRUDE OIL		200 BBLS	STEEL AST	39.944726,-103.679134	
S/U/V:	Unsatisfactory		Comment: tank not labelled, base undermined		
Corrective Action:	properly label in accordance with rule 210.d.			Corrective Date:	04/30/2013
<b>Paint</b>					
Condition					
Other (Content)	_____				
Other (Capacity)	_____				
Other (Type)	_____				
<b>Berms</b>					
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Corrective Action	Remove oily waste from all berms. Properly maintain berms during routine maintenance.			Corrective Date	04/30/2013
Comment					
<b>Venting:</b>					
Yes/No	Comment				
<b>Flaring:</b>					
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date	

**Predrill**

Location ID: 316998

**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:

\_\_\_\_\_

**Environmental**

**Spills/Releases:**

Type of Spill: OIL Description: site wide Estimated Spill Volume: \_\_\_\_\_

Comment: Clean up all oily waste in accordance with 907.e. Include site wide cleanup on Form 27 for skim pit closure and partially buried tank removal.

Corrective Action: clean up all oily waste Date: 04/30/2013

Reportable: \_\_\_\_\_ GPS: Lat \_\_\_\_\_ Long \_\_\_\_\_

Proximity to Surface Water: \_\_\_\_\_ Depth to Ground Water: \_\_\_\_\_

**Water Well:** \_\_\_\_\_ Lat \_\_\_\_\_ Long \_\_\_\_\_  
 DWR Receipt Num: \_\_\_\_\_ Owner Name: \_\_\_\_\_ GPS : \_\_\_\_\_

**Field Parameters:** \_\_\_\_\_

Sample Location: \_\_\_\_\_

**Waste Management:**

Type	Management	Condition	Comment	GPS (Lat)	(Long)
Oily Soil	Piles	Inadequate	Pile of oily waste approx 8 cu yds stockpiled east side water pit.		
Tank Bottoms	Tanks		If tanks are removed or repaired - properly treat/dispose per Rule 907.f.		

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? \_\_\_\_\_ 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: \_\_\_\_\_

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

S/U/V: Unsatisfactory Corrective Date: 04/30/2013

Comment: Disturbed area on east side of lease at battery. Possibly where dirt was borrowed for berms and to bury fiberglass skim tank.

CA: Stabilize/revegetate disturbed area.

**Pits:**

Pit Type: Skimming/Settling Lined: NO Pit ID: \_\_\_\_\_ Lat: 39.944868 Long: -103.678660

**Lining:**

Liner Type: \_\_\_\_\_ Liner Condition: \_\_\_\_\_

Comment: unlined - no longer in use, approx 10' x 20'

**Fencing:**

Fencing Type: None Fencing Condition: \_\_\_\_\_

Comment: \_\_\_\_\_

**Netting:**

Netting Type: \_\_\_\_\_ Netting Condition: \_\_\_\_\_

Comment: \_\_\_\_\_

Anchor Trench Present: \_\_\_\_\_ Oil Accumulation: \_\_\_\_\_ 2+ feet Freeboard: \_\_\_\_\_

Pit (S/U/V): **Violation** Comment: Former skim pit no longer in use. Appears to have been replaced with skim tank. No Form 27 submitted for closure.

Corrective Action: Submit Form 27 for prior approval to close pit. Will require sampling analysis to verify compliance with Table 910-1. Date: **04/30/2013**

**Pits:**

Pit Type: Produced Water Lined: NO Pit ID: \_\_\_\_\_ Lat: 39.945043 Long: -103.679183

**Lining:**

Liner Type: \_\_\_\_\_ Liner Condition: \_\_\_\_\_

Comment: unlined produced water pit approx 90' x 110'

**Fencing:**

Fencing Type: None Fencing Condition: \_\_\_\_\_

Comment: \_\_\_\_\_

**Netting:**

Netting Type: \_\_\_\_\_ Netting Condition: \_\_\_\_\_

Comment: no netting

Anchor Trench Present: \_\_\_\_\_ Oil Accumulation: YES 2+ feet Freeboard: \_\_\_\_\_

Pit (S/U/V): **Violation** Comment: Oil on southeast & northeast corner of pit. Oily waste within pit and junk mixed in with berms.

Corrective Action: Remove free product within 24-hours. Cleanup all oily waste in water pit and properly dispose per 907.e. Remove all junk. Date: **04/30/2013**

**Attached Documents**

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

Document Num	Description	URL
667500140	junk & trash	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3066870">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3066870</a>
667500141	former skim pit	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3066872">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3066872</a>
667500142	stockpile oily waste	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3066875">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3066875</a>
667500143	free product on pit	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3066876">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3066876</a>
667500144	free product NE corner & oil stained soils	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3066877">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3066877</a>
667500145	oily waste in produced water pit	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3066878">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3066878</a>
667500146	disturbed area east side of lease at battery	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3066879">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3066879</a>
667500147	unused partially buried tank	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3066880">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3066880</a>

667500148	corrosion holes in tank weeping oil	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3066881">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3066881</a>
667500149	pump bldg - junk trash, unused equipment	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3066882">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3066882</a>
667500150	dead coyote at pump bldg	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3066883">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3066883</a>
667500151	leak at pump jack	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3066884">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3066884</a>