

<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		DE ET OE ES
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**FIELD INSPECTION FORM**

Location Identifier	Facility ID 430374	Loc ID 430380	Inspector Name: QUINT, CRAIG	On-Site Inspection <input type="checkbox"/>	2A Doc Num: _____
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Inspection Date:  
03/19/2013

Document Number:  
668600531

Overall Inspection:  
Satisfactory

**Operator Information:**

OGCC Operator Number: 10431 Name of Operator: CHAMA OIL & MINERALS LLC

Address: PO BOX 50203

City: MIDLAND State: TX Zip: 79710

**Contact Information:**

Contact Name	Phone	Email	Comment
Ellis, JR	720-626-9326	secorig1@chamaoil.com	Consultant

**Compliance Summary:**

QtrQtr: NENE Sec: 36 Twp: 16S Range: 46W

**Inspector Comment:**

**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name
430374	WELL	DG	03/06/2013	LO	017-07729	KERN STATE 36-16-46 1P <input checked="" type="checkbox"/>

**Equipment:**

Location Inventory

Special Purpose Pits: _____	Drilling Pits: <u>1</u>	Wells: <u>1</u>	Production Pits: _____
Condensate Tanks: _____	Water Tanks: <u>2</u>	Separators: <u>1</u>	Electric Motors: <u>1</u>
Gas or Diesel Mortors: <u>1</u>	Cavity Pumps: _____	LACT Unit: _____	Pump Jacks: <u>1</u>
Electric Generators: _____	Gas Pipeline: <u>1</u>	Oil Pipeline: <u>1</u>	Water Pipeline: <u>1</u>
Gas Compressors: _____	VOC Combustor: _____	Oil Tanks: <u>9</u>	Dehydrator Units: _____
Multi-Well Pits: _____	Pigging Station: _____	Flare: <u>1</u>	Fuel Tanks: <u>1</u>

**Location**

**Lease Road:**

Type	Satisfactory/Unsatisfactory	comment	Corrective Action	Date
Access	Satisfactory	DIRT AND GRAVEL ROAD THROUGH PASTURE.		

**Signs/Marker:**

Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
OTHER	Satisfactory	DANGER OF POTENTIAL H2S SIGN AT ENTRANCE.		
OTHER	Satisfactory	LEASE SIGN AT LOCATION ENTRANCE.		

Inspector Name: QUINT, CRAIG

DRILLING/RECOMP	Satisfactory		
OTHER	Satisfactory	LEASE SIGN BY ACCESS AT COUNTY ROAD	

Emergency Contact Number: (S/U/V) Satisfactory Corrective Date: \_\_\_\_\_  
Comment: \_\_\_\_\_  
Corrective Action: \_\_\_\_\_

**Spills:**

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

**Fencing/:**

Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
LOCATION	Satisfactory	LOCATION FENCED WITH WIRE.		

**Venting:**

Yes/No	Comment

**Flaring:**

Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date

**Predrill**

Location ID: 430380

**Site Preparation:**

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

**Form 2A COAs:**

Group	User	Comment	Date
OGLA	allisonr	<p>2. Water Testing: Prior to drilling, operator shall sample the two (2) closest domestic water wells, springs, or surface water features within a one (1) mile radius of the proposed oil and gas location. Testing preference shall be given to domestic water wells and springs over surface water. Testing of surface water features shall only be conducted if two (2) water wells or springs do not exist within a one (1) mile radius of the selected oil and gas location. If possible, the water wells or springs selected should be on opposite sides of the oil and gas location not exceeding a one (1) mile radius. If water wells or springs on opposite sides of the oil and gas location cannot be identified, then the two (2) closest wells or springs within a one (1) mile radius of the oil and gas location shall be sampled. The sample location shall be surveyed in accordance with Rule 215.</p> <p>Water well testing shall include laboratory analysis of pH, total dissolved solids (TDS), specific conductivity (SC), sodium adsorption ratio (SAR) calculation, total recoverable metals (calcium [Ca], potassium [K], magnesium [Mg], sodium [Na], arsenic [As], boron [B], barium [Ba], cadmium [Cd], chromium [Cr], copper [Cu], iron [Fe], manganese [Mn], lead [Pb], selenium [Se]), cations and anions (bromide [Br], chloride [Cl], fluoride [F], sulfate [SO4]), alkalinity (total, HCO3, and CO3 – all expressed as CaCO3), benzene, toluene, ethyl benzene, o-xylene, m- + p-xylene (BTEX), dissolved methane, diesel range organics (DRO), gasoline range organics (GRO), and nutrients (nitrates, nitrites). Sampling shall be performed by qualified individuals using commonly accepted environmental sampling procedures. Field observations such as pH, temperature, specific conductance, odor, water color, sediment, bubbles, and effervescence shall also be included.</p> <p>Post-completion tests shall be performed for the same analytical parameters listed above and repeated one (1), three (3) and six (6) years thereafter. If no significant changes from the baseline have been identified after the third test (i.e. the six-year test), no further testing shall be required. Additional test(s) may be required if changes in water quality are identified during follow-up testing. The Director may require further water well sampling at any time in response to complaints from water well owners.</p> <p>If free gas or a dissolved methane concentration level greater than one (1) milligrams per liter (mg/l) is detected in a water well, gas compositional analysis and stable isotope analysis of the methane (carbon and deuterium) shall be performed to determine gas type (biogenic or thermogenic). If the methane concentration increases by more than five (5) mg/l between sampling periods, or increases to more than ten (10) mg/l, the operator shall notify the Director and the owner of the water well immediately. If thermogenic methane concentrations increase between sampling periods, the operator shall submit to the Director an action plan to determine the source of the increase.</p> <p>Copies of all test results described above shall be provided to the Director and the landowner where the water quality testing well is located within three (3) months of collecting the samples used for the test. The analytical data and surveyed sample locations shall also be submitted to the Director in an electronic data deliverable format approved by Director.</p>	09/19/2012
OGLA	allisonr	<p>1. Location is in a sensitive area because of shallow groundwater; therefore, either a lined drilling pit or closed loop system is required. A drilling pit used for disposal of cuttings from the closed loop system does not require lining. The contents of any drilling pit shall meet Table 910-1 Standards upon closure.</p>	09/19/2012

**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: 430374 Type: WELL API Number: 017-07729 Status: DG Insp. Status: DG

**Well Drilling**

**Rig:** Rig Name: XTREME 11 Pusher/Rig Manager: DAVE  
 Permit Posted: Satisfactory Access Sign: Satisfactory

**Well Control Equipment:**

Pipe Ram: YES Blind Ram: YES Hydril Type: YES  
 Pressure Test BOP: Pass Test Pressure PSI: 1000 Safety Plan: YES

**Drill Fluids Management:**

Lined Pit: NO Unlined Pit: YES Closed Loop: NO Semi-Closed Loop: YES  
 Multi-Well: NO Disposal Location: \_\_\_\_\_

**Comment:**

METAL WORK TANKS W/UNLINED RESERVE PIT. STUCK IN HOLE, BACKED OFF, GETTING READY TO CEMENT FISH AND SIDE TRACK.

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

**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: RANGELAND

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

Inspector Name: QUINT, CRAIG

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: RANGELAND \_\_\_\_\_

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
Berms	Pass	Gravel	Pass	MHSP	Pass	
Waddles	Pass	Waddles	Pass			
Mulching	Pass	Berms	Pass			

S/U/V: Satisfactory \_\_\_\_\_ Corrective Date: \_\_\_\_\_

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

CA: \_\_\_\_\_

**Pits:**

Inspector Name: QUINT, CRAIG

Pit Type: Reserve Lined: NO Pit ID: \_\_\_\_\_ Lat: 38.626130 Long: -102.512980

**Lining:**

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

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

**Fencing:**

Fencing Type: \_\_\_\_\_ Fencing Condition: \_\_\_\_\_

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

**Netting:**

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

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

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

Pit (S/U/V): \_\_\_\_\_ Comment:

Corrective Action:  Date: \_\_\_\_\_