

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



| | | | |
|----|----|----|----|
| DE | ET | OE | ES |
|----|----|----|----|

Inspection Date:
09/17/2013

Document Number:
670200864

Overall Inspection:
Unsatisfactory

FIELD INSPECTION FORM

| | | | | | |
|---------------------|---------------|---------------|----------------------|--------------------|--------------------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | <input type="checkbox"/> |
| | <u>211140</u> | <u>334616</u> | <u>BURGER, CRAIG</u> | 2A Doc Num: | |

Operator Information:

OGCC Operator Number: 100185 Name of Operator: ENCANA OIL & GAS (USA) INC
 Address: 370 17TH ST STE 1700
 City: DENVER State: CO Zip: 80202-

Contact Information:

| Contact Name | Phone | Email | Comment |
|----------------------|-------|------------------------------|---------------------|
| Kellerby, Shaun | | Shaun.Kellerby@state.co.us | NW Field Supervisor |
| Inspections, General | | cogcc.inspections@encana.com | |

Compliance Summary:

QtrQtr: SWNE Sec: 22 Twp: 7S Range: 93W

| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Unsatisfactory | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|------------------------------|----------|----------------|-----------------|
| 10/23/2012 | 663800542 | PR | PR | S | I | | N |
| 06/08/2011 | 200313011 | PR | PR | U | | | Y |
| 11/03/2006 | 200103813 | PR | PR | S | | P | N |
| 11/01/2002 | 200038759 | PR | PR | S | | P | N |
| 11/10/1998 | 500142687 | PR | PR | | | P | N |
| 12/29/1995 | 500142686 | PR | PR | | | P | |

Inspector Comment:

Inspection unsatisfactory due to unlabeled tanks on location.

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | |
|-------------|------|--------|-------------|------------|-----------|---------------------------|-------------------------------------|
| 211017 | WELL | AL | 10/02/1992 | | 045-06775 | MAZATLAN FED PILOT HOLE 2 | <input type="checkbox"/> |
| 211140 | WELL | PR | 12/17/1994 | GW | 045-06899 | PARKER RANCH 22-7 | <input checked="" type="checkbox"/> |
| 258802 | WELL | PR | 06/01/2002 | GW | 045-07657 | ROSE RANCH 22-8 (G22) | <input checked="" type="checkbox"/> |
| 258803 | WELL | PR | 06/01/2002 | GW | 045-07658 | ROSE RANCH 22-2 (G22) | <input checked="" type="checkbox"/> |

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

| Signs/Marker: | | | | |
|----------------------|-----------------------------|---|--|-------------------|
| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| WELLHEAD | Satisfactory | Signs need 1/4 1/4 section. See compliance schedule COGCC document number #2369022. | | |
| BATTERY | Satisfactory | | | |
| TANK LABELS/PLACARDS | Violation | No placards, signs or labels on 7 500 bbl frac tanks that contain fluid. | Install signs to comply with rule 210.d. Corrective action date from 8/9/13 inspection (doc# 670200758) not met. | 09/24/2013 |

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

Comment: _____

Corrective Action: _____

| Good Housekeeping: | | | | |
|---------------------------|-----------------------------|---|---|------------|
| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| STORAGE OF SUPL | Unsatisfactory | Unused pipe and valves, steel tower, empty 1000 gal tank, sand bags, and a trailer on location. | Keep location free of unused equipment. | 10/15/2013 |

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

| Equipment: | | | | | |
|-----------------------------|---|-----------------------------|---|-------------------|---------|
| Type | # | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| Gathering Line | 1 | Satisfactory | | | |
| Gas Meter Run | 1 | Satisfactory | | | |
| Bird Protectors | 3 | Satisfactory | | | |
| Horizontal Heated Separator | 3 | Satisfactory | | | |
| Plunger Lift | 2 | Satisfactory | | | |
| Ancillary equipment | 1 | Satisfactory | Surface water line used for remote frac or moving produced water. | | |

| | | | | |
|--------------------|--------------|-----------------------------------|----------------------------|------------------|
| Facilities: | | <input type="checkbox"/> New Tank | Tank ID: _____ | |
| Contents | # | Capacity | Type | SE GPS |
| METHANOL | 1 | 1000 GAL | STEEL AST | , |
| S/U/V: | Satisfactory | Comment: | same berm as 300 bbl tanks | |
| Corrective Action: | | | | Corrective Date: |
| <u>Paint</u> | | | | |
| Condition | Adequate | | | |
| Other (Content) | _____ | | | |
| Other (Capacity) | _____ | | | |
| Other (Type) | _____ | | | |
| <u>Berms</u> | | | | |
| 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 |
| CONDENSATE | 3 | 300 BBLS | STEEL AST | 39.433650, -107.759940 |
| S/U/V: | Satisfactory | Comment: | | |
| Corrective Action: | | | | Corrective Date: |
| <u>Paint</u> | | | | |
| Condition | Adequate | | | |
| Other (Content) | _____ | | | |
| Other (Capacity) | _____ | | | |
| Other (Type) | _____ | | | |
| <u>Berms</u> | | | | |
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Metal | Adequate | Walls Sufficient | Base Sufficient | Adequate |
| Corrective Action | | | | Corrective Date |
| Comment | | | | |

| | |
|-----------------|---------|
| Venting: | |
| Yes/No | Comment |
| NO | |

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

Predrill

Location ID: 334616

Site Preparation:

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

Form 2A COAs:

| Group | User | Comment | Date |
|---------------|----------|---|------------|
| Environmental | fischera | COA- Produced water or flowback or other exploration and production waste shall not be temporarily stored in LVSTs. Produced water or flowback water shall be temporarily stored in frac tanks. | 07/31/2013 |
| Environmental | fischera | Provide a map/diagram illustrating all transfer and receiving facilities/locations by August 30, 2013. | 07/31/2013 |
| Environmental | fischera | COA- The transfer at the facilities/locations referenced in the Production Water Reuse and Minimization Plan shall be valid until July 31, 2014. | 07/31/2013 |

Comment: Produced water or flowback water shall be temporarily stored in frac tanks.

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: 211140 Type: WELL API Number: 045-06899 Status: PR Insp. Status: SI

Idle Well

Purpose: [X] Shut In [] Temporarily Abandoned Reminder:
S/V: Satisfactory CA Date:
CA:
Comment: Produced July 2013. Shut in at separator.

Facility ID: 258802 Type: WELL API Number: 045-07657 Status: PR Insp. Status: SI

Idle Well

Purpose: [X] Shut In [] Temporarily Abandoned Reminder:
S/V: CA Date:
CA:
Comment: Last produced Nov. 2012.

Facility ID: 258803 Type: WELL API Number: 045-07658 Status: PR Insp. Status: PR

Producing Well

Comment: plunger lift

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): N

Comment:
Pilot: Wildlife Protection Devices (fired vessels): YES

Reclamation - Storm Water - Pit

Interim Reclamation:

Date Interim Reclamation Started: Date Interim Reclamation Completed:
Land Use:
Comment: Large unreclaimed area. Surface water lines on location.
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 |
| Gravel | Pass | Compaction | Pass | | | |
| Berms | Pass | Culverts | Pass | MHSP | Fail | |
| Retention Ponds | Pass | Ditches | Pass | | | |
| Ditches | Pass | Gravel | Pass | | | |

S/U/V: Unsatisfactory Corrective Date: 09/24/2013

Comment: Spill control plastic lined berms at water truck load area by 7 500 bbl frac tanks but no secondary containment provided for tanks other than site berm.

CA: Provided secondary containment for temporary tanks.