

**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:

02/28/2014

Document Number:

663100382

Overall Inspection:

**Unsatisfactory****FIELD INSPECTION FORM**

|                     |               |               |                       |                                            |
|---------------------|---------------|---------------|-----------------------|--------------------------------------------|
| Location Identifier | Facility ID   | Loc ID        | Inspector Name:       | On-Site Inspection                         |
|                     | <u>233258</u> | <u>316927</u> | <u>Sherman, Susan</u> | <input type="checkbox"/> 2A Doc Num: _____ |

**Operator Information:**

OGCC Operator Number:

Name of Operator: KESTREL RESOURCES INCAddress: 2602 MCKINNEY AVE STE 400City: DALLAS State: TX Zip: 75204

- ☐ THIS IS A FOLLOW UP INSPECTION
- ☐ FOLLOW UP INSPECTION REQUIRED
- ☐ NO FOLLOW UP INSPECTION REQUIRED
- ☐ INSPECTOR REQUESTS FORM 42 WHEN CORRECTIVE ACTIONS ARE COMPLETED

**Contact Information:**

| Contact Name | Phone                  | Email              | Comment |
|--------------|------------------------|--------------------|---------|
| Ward, Amy    | (214) 871-0999<br>X121 | award@petrocap.com |         |

**Compliance Summary:**

| QtrQtr: <u>NWSW</u> | Sec: <u>36</u> | Twp: <u>3S</u> | Range: <u>53W</u> |                              |          |                |                 |
|---------------------|----------------|----------------|-------------------|------------------------------|----------|----------------|-----------------|
| Insp. Date          | Doc Num        | Insp. Type     | Insp Status       | Satisfactory /Unsatisfactory | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
| 08/10/2004          | 200058481      | PR             | PR                | Satisfactory                 |          | Pass           | No              |
| 04/14/1998          | 500158184      | CO             |                   |                              |          |                |                 |
| 08/25/1997          | 500158183      | PR             | PR                |                              |          | Pass           | No              |
| 12/05/1995          | 500158182      | PR             | PR                |                              |          | Pass           | No              |
| 09/22/1995          | 500158181      | PR             | PR                |                              |          | Fail           | Yes             |
| 05/04/1995          | 500158180      | ES             | PR                |                              |          | Fail           | Yes             |

**Inspector Comment:****Related Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num   | Facility Name        | Insp Status |                                     |
|-------------|------|--------|-------------|------------|-----------|----------------------|-------------|-------------------------------------|
| 233258      | WELL | PR     | 12/27/2001  | OW         | 121-05286 | COLORADO STATE "A" 1 | PR          | <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**

| <b>Lease Road:</b> |                             |                                  |                   |      |
|--------------------|-----------------------------|----------------------------------|-------------------|------|
| Type               | Satisfactory/Unsatisfactory | comment                          | Corrective Action | Date |
| Main               | Satisfactory                |                                  |                   |      |
| Access             | Satisfactory                | Rill starting 1/2 way down road. |                   |      |

| <b>Signs/Marker:</b> |                             |                              |                                       |            |
|----------------------|-----------------------------|------------------------------|---------------------------------------|------------|
| Type                 | Satisfactory/Unsatisfactory | Comment                      | Corrective Action                     | CA Date    |
| WELLHEAD             | Unsatisfactory              | No emergency contact number. | Install sign to comply with rule 210. | 03/28/2014 |
| CONTAINERS           | Satisfactory                |                              |                                       |            |

Emergency Contact Number: (S/U/V) Unsatisfactory Corrective Date: 03/28/2014Comment: Corrective Action: 

| <b>Spills:</b> |           |           |                                                                     |            |
|----------------|-----------|-----------|---------------------------------------------------------------------|------------|
| Type           | Area      | Volume    | Corrective action                                                   | CA Date    |
| Crude Oil      | Pump Jack | <= 5 bbls | Remove and remediate stained soil at wellhead (see attached photo). | 03/03/2014 |
| Crude Oil      | WELLHEAD  | <= 5 bbls | Remove and remediate stained soil at wellhead (see attached photo). | 03/03/2014 |

☐ Multiple Spills and Releases?

| <b>Fencing/:</b> |                             |             |                   |         |
|------------------|-----------------------------|-------------|-------------------|---------|
| Type             | Satisfactory/Unsatisfactory | Comment     | Corrective Action | CA Date |
| PUMP JACK        | Satisfactory                | steel panel |                   |         |

| <b>Equipment:</b>   |   |                             |                                                             |                   |            |
|---------------------|---|-----------------------------|-------------------------------------------------------------|-------------------|------------|
| Type                | # | Satisfactory/Unsatisfactory | Comment                                                     | Corrective Action | CA Date    |
| Pump Jack           | 1 | Unsatisfactory              | leaking                                                     | Fix leak.         | 03/28/2014 |
| Prime Mover         | 1 | Satisfactory                | electric                                                    |                   |            |
| Deadman # & Marked  | 4 | Satisfactory                |                                                             |                   |            |
| Ancillary equipment | 5 | Satisfactory                | 2 REA poles, electric box, cathodic protection, transformer |                   |            |

|                    |                             |                                   |                     |                       |  |
|--------------------|-----------------------------|-----------------------------------|---------------------|-----------------------|--|
| <b>Facilities:</b> |                             | <input type="checkbox"/> New Tank |                     | Tank ID: _____        |  |
| Contents           | #                           | Capacity                          | Type                | SE GPS                |  |
|                    |                             |                                   | CENTRALIZED BATTERY | 39.751350,-103.273510 |  |
| S/U/V:             |                             |                                   | Comment:            |                       |  |
| Corrective Action: |                             |                                   |                     | Corrective Date:      |  |
| <b>Paint</b>       |                             |                                   |                     |                       |  |
| Condition          |                             |                                   |                     |                       |  |
| Other (Content)    | _____                       |                                   |                     |                       |  |
| Other (Capacity)   | _____                       |                                   |                     |                       |  |
| Other (Type)       | _____                       |                                   |                     |                       |  |
| <b>Berms</b>       |                             |                                   |                     |                       |  |
| Type               | Capacity                    | Permeability (Wall)               | Permeability (Base) | Maintenance           |  |
|                    |                             |                                   |                     |                       |  |
| Corrective Action  |                             |                                   |                     | Corrective Date       |  |
| Comment            |                             |                                   |                     |                       |  |
| <b>Venting:</b>    |                             |                                   |                     |                       |  |
| Yes/No             | Comment                     |                                   |                     |                       |  |
|                    |                             |                                   |                     |                       |  |
| <b>Flaring:</b>    |                             |                                   |                     |                       |  |
| Type               | Satisfactory/Unsatisfactory | Comment                           | Corrective Action   | CA Date               |  |
|                    |                             |                                   |                     |                       |  |

**Predrill**

Location ID: 233258

**Site Preparation:**

Lease Road Adeq.: \_\_\_\_\_

Pads: \_\_\_\_\_

Soil Stockpile: \_\_\_\_\_

**S/U/V:** \_\_\_\_\_

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

Date: \_\_\_\_\_ CDP Num.: \_\_\_\_\_

**Form 2A COAs:****S/U/V:** \_\_\_\_\_ **Comment:** \_\_\_\_\_**CA:** \_\_\_\_\_ **Date:** \_\_\_\_\_**Wildlife BMPs:****S/U/V:** \_\_\_\_\_ **Comment:** \_\_\_\_\_**CA:** \_\_\_\_\_ **Date:** \_\_\_\_\_**Stormwater:****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: 233258 Type: WELL API Number: 121-05286 Status: PR Insp. Status: PR

**Producing Well**Comment: PR  
Dec 2013 last reported**Environmental****Spills/Releases:**

Type of Spill: \_\_\_\_\_ Description: \_\_\_\_\_ Estimated Spill Volume: \_\_\_\_\_

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

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

Inspector Name: Sherman, Susan

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: \_\_\_\_\_

Comment: **rangeland**

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? \_\_\_\_\_ 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? Pass Production areas stabilized ? Fail

1003c. Compacted areas have been cross ripped? \_\_\_\_\_

1003d. Drilling pit closed? Pass 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? Pass

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

**RESTORATION AND REVEGETATION**

Cropland

Top soil replaced \_\_\_\_\_ Recontoured \_\_\_\_\_ Perennial forage re-established \_\_\_\_\_

Non-Cropland

Top soil replaced Pass Recontoured Pass 80% Revegetation Pass

Inspector Name: Sherman, Susan

1003 f. Weeds Noxious weeds? ☐ P ☐

Comment: 2 pits are evident on surface to north of wellhead (see attached photo).

Overall Interim Reclamation ☐ Fail ☐

**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 ☐ Well Release on Active Location ☐ 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            | Gravel                  | Pass                  |               |                          |         |
| Compaction       | Pass            | Compaction              | Pass                  | MHSP          | Fail                     |         |

S/U/V: Unsatisfactory Corrective Date: 03/28/2014

Comment:

CA: Provide stormwater BMPs for containers at well.

Pits: ☐ NO SURFACE INDICATION OF PIT

**Attached Documents**

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

| Document Num | Description                                       | URL                                                                                                                                                                 |
|--------------|---------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 663100387    | Kestrel CO State 60-4818 1A well sign             | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3292325">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3292325</a> |
| 663100388    | Kestrel CO State 60-4818 1A well pump jack leak   | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3292326">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3292326</a> |
| 663100389    | Kestrel CO State 60-4818 1A well pump jack leak 2 | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3292327">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3292327</a> |
| 663100390    | Kestrel CO State 60-4818 1A well pits evident     | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3292328">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3292328</a> |
| 663100391    | Kestrel CO State 60-4818 1A wellhead stained soil | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3292329">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3292329</a> |

|           |                                                |                                                                                                                                                                     |
|-----------|------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 663100392 | Kestrel CO State 60-4818<br>1A well containers | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3292330">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3292330</a> |
|           |                                                |                                                                                                                                                                     |