Inspector Name: PRECUP, JIM

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

FIELD INSPECTION FORM

DE	ET	OE	ES

Inspection Date: 03/04/2014

Document Number: 665400736

Overall Inspection: **Violation**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	433620	433626	PRECUP, JIM	☐	

Operator Information:

OGCC Operator Number:

Name of Operator: BARRETT CORPORATION* BILL

Address: 1099 18TH ST STE 2300

City: DENVER State: CO Zip: 80202

☐ 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
Hirtler, Chrisinta	(303) 312-8597/ (337) 258-5044	chirtler@billbarrettcorp.com	All Inspection

Compliance Summary:

QtrQtr: NWNE Sec: 9 Twp: 6N Range: 66W

Inspector Comment:

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
433582	WELL	DG	08/18/2013		123-37692	Merritt 6-66-9-0560CH	WO	☐
433584	WELL	DG	10/16/2013		123-37694	Merritt 6-66-9-0758BH	DG	☐
433604	WELL	DG	10/17/2013		123-37706	Merritt 6-66-9-0857CH	DG	☐
433617	WELL	DG	08/17/2013		123-37710	Merritt 6-66-9-0659BH	DG	☐
433620	WELL	DG	08/18/2013	OW	123-37711	Merritt 6-66-9-0659CDH	DG	☒
433623	WELL	DG	08/17/2013	OW	123-37713	Merritt 6-66-9-0659CH	DG	☐
433635	WELL	DG	08/19/2013		123-37722	Merritt 6-66-9-0560BH	DG	☐
433651	WELL	DG	10/16/2013		123-37729	Merritt 6-66-9-0758CDH	DG	☐
433659	WELL	DG	10/17/2013		123-37734	Merritt 6-66-9-0857BH	DG	☐
433671	WELL	DG	10/16/2013		123-37740	Merritt 6-66-9-0758CH	DG	☐

Equipment: Location Inventory

Special Purpose Pits:		Drilling Pits:		Wells:	10	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

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Signs/Marker:				
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
DRILLING/RECOMP	Unsatisfactory		Install sign to comply with rule 210.	**03/11/2014**

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

Comment: no emergency contact number because there are no signs

Corrective Action:

Spills:				
Type	Area	Volume	Corrective action	CA Date

☐ Multilple Spills and Releases?

Venting:	
Yes/No	Comment
YES	flowback processes venting through open tanks

Flaring:				
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date

Predrill

Location ID: 433620

Site Preparation:

Lease Road Adeq.: Pads: Soil Stockpile:

S/U/V:

Corrective Action: Date: CDP Num.:

Form 2A COAs:

Group	User	Comment	Date
OGLA	andrewsd	COGCC Rules 604.a. and 605.a.(2,3,5,6,7, and 8), as applicable to tank setbacks at the time of installation shall apply to the siting of TLVSTs.	12/11/2013
OGLA	andrewsd	TLVSTs may only be utilized for the storage of freshwater obtained legally from an adjudicated consumable water supply. E&P wastes, including treated E&P wastes and flowback during hydraulic fracturing operations, are not allowed.	12/11/2013
OGLA	andrewsd	Signs shall be posted on each TLVST to indicate contents are freshwater and that no E&P waste fluids are allowed. Location and additional signage shall conform to Rule 210.	12/11/2013
OGLA	andrewsd	TLVSTs shall be re-certified by the manufacturer and/or certifying Professional Engineer at least every 100 set-ups. Length of tank service and tank re-certification reocrds from the TLVST contractor shall be provided to the COGCC upon request.	12/11/2013
OGLA	andrewsd	Site preparation and installation oversight will be provided by a Professional Engineer or their designated representative.	12/11/2013
OGLA	andrewsd	TLVSTs will be brought into service incrementally, by loading to 25%, 50%, 75%, and 100% capacity (subject to freeboard) and held at each level without leaks for 24-hours prior to increasing load.	12/11/2013
OGLA	andrewsd	Should a failure of TLVST integrity occur, operator shall notify COGCC upon discovery, report the incident to COGCC on a Form 22-Accident Report within 10 days and shall conduct a "root cause analysis" and provide it to COGCC on a Form 4-Sundry Notice within 30 days of the failure.	12/11/2013

OGLA	andrewsd	TLVSTs shall not be located on non-engineered fill material. If areas are to be graded and disturbed, the operator shall conduct such activity in accordance with COGCC Rules 1002.b. and 1002.c.	12/11/2013
OGLA	andrewsd	TLVSTs will be operated with a minimum of 1 foot freeboard.	12/11/2013
OGLA	andrewsd	Access to the tanks shall be limited to operational personnel.	12/11/2013
OGLA	andrewsd	Operators or their designated representatives shall conduct regular visual inspections of the exterior wall and general area for any integrity deficiencies. These inspections will be recorded and maintained for a period of at least 5 years per Rule 205. Inspection records shall be provided to the COGCC upon request.	12/11/2013
OGLA	andrewsd	All liner seams shall be welded at the liner manufacturers facility; field welded liners shall not be used. If liners are re-used, liner installation shall be noticed on a Form 42 to COGCC 48-hours prior to installation. If liners are re-used, liner installation shall be noticed on a Form 42 to the COGCC 48-hours prior to installation.	12/11/2013

S/U/V: **Comment:**

CA: **Date:**

Wildlife BMPs:

BMP Type	Comment
Storm Water/Erosion Control	GENERAL • Utilize diking and other forms of containment and diversions around tanks, drums, chemicals, liquids, pits, impoundments, or well pads • Use drip pans, sumps, or liners where appropriate • Limit the amount of land disturbed during construction of pad, access road, and facilities • Employ spill response plan (SPCC) for all facilities • Dispose properly offsite any wastes fluids and other materials MATERIAL HANDLING, ACTIVITIES, PRACTICES AND STORM WATER DIVERSION • Secondary containment of tanks, drums, and storage areas is mandatory to prohibit discharges to surface waters. A minimum of 110% capacity required of largest storage tank within a containment area • Material handling and spill prevention procedures and practices will be followed to help prohibit discharges to surface waters • Proper loading, and transportation procedures to be followed for all materials to and from locations EROSION CONTROL • Pad and access road to be designed to minimize erosion • Pad and access road to implement appropriate erosion control devices where necessary to minimize erosion • Routine inspections of sites and controls to be implemented with additions, repairs, and optimization to occur as necessary to minimize erosion SELF INSPECTION, MAINTENANCE, AND HOUSEKEEPING • All employees are trained in spill response, good housekeeping, material management practices, and procedures for equipment and container washing annually • Conduct internal storm water inspections per applicable stormwater regulations • Conduct routine informal inspections of all tanks and storage facilities at least weekly • All containment areas are to be inspected weekly or following a heavy rain event. • Any excessive precipitation accumulation within containment should be removed as appropriate and disposed of properly • All structural berms, dikes, and containment will be inspected periodically to ensure they are operating correctly SPILL RESPONSE • Spill response procedures as per the BBC field SPCC Plan VEHICLE & LOCATION PROCEDURES • Vehicles entering location are to be free of chemical, oil, mud, weeds, trash, and debris • Location to be treated to kill weeds and bladed when necessary

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Drilling/Completion Operations	NOTIFICATIONS • Proper notifications required by COGCC regulations or policy memos will be adhered to TRENCHES/PITS/TEMPORARY FRAC TANKS • Unlined pits will not be constructed on fill material. • Any free liquids accumulated in the containment would be removed and hauled to an approved waste disposal facility. Drill cuttings would either be hauled to an approved spread field or waste disposal facility or would be treated and disposed of onsite. Disposal methods would comply with COGCC regulations. • Flowback and stimulation fluids from the wells being completed will be sent to tanks and/or filters to allow the sand to settle out before the fluids are hauled to a state approved disposal facility. • Temporary frac tanks installed on location will have proper secondary containment according to SPCC regulations such as either putting a perimeter berm around location or around the frac tanks.
Drilling/Completion Operations	Large Volume Above Ground Storage Tanks: BBC will be utilizing 2 40,000 bbls tanks provided by Well Water Solutions. The tanks are approximately 156 feet in diameter and 12 feet tall. Well Water Solution's tanks are manufactured in accordance with designs and specifications that have been reviewed and certified by a Professional Engineer. The tanks will be erected by Well Water Solutions or a contractor authorized by Well Water Solutions to set up their tanks. The tanks will be filled with fresh water obtained from local fresh water sources. The tanks will be placed within the perimeter berm that will be constructed around the entire pad. The tanks will be placed on cut only. We also bring in dirt and create a solid, flat, and level area for the tank to sit on before the vender starts work on the tank. Then the vender digs a small trench and lays down a geo pad before starting to assemble the tank. During initial pad construction, compactors are utilized along with wetting of soil while compacting. This is standard BBC procedure. Also all fittings and flow lines are schedule 80 (2400 psi WP) along with all connections being welded. Tanks will be placed on a bed of sand with a 36 mil synthetic liner that is attached to 3' corrugated containment. The tank(s) will be on location for approximately 1 month. Freshwater will be obtained from Bluewater Resources Depot in Windsor, CO; an industrial water depot. Please see diagrams and contingency plan attached.

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: 433620 Type: WELL API Number: 123-37711 Status: DG Insp. Status: DG

Workover

Comment: This well location is in the process of flowback. Seven 500 BBL tanks are south of the wellheads facing north. Six of the tanks are manifolded together with hoses. The tanks are side by side from east to west. There is no containment around any of the tanks. The first tank on the east is left over from drill out operations the next tank from the east is an open top tank for excess produced oil the third tank from the east is an open top tank (it was tarped to reduce misting of produced oil) it is the primary flowback tank for produced oil. When the primary produced oil tank is full, it is drained through four inch hoses by gravity to the second tank from the east the excess produced oil tank. The fourth tank from the east is the primary produced water tank , also open topped it is connected by hose to the fifth, sixth and seventh tanks from the east. None of the tanks are physically grounded. The wells are hard line connected to a manifold and valved to a single large separator. Separation occurs and the gas is received into a sales line, the oil is transported to the battery by truck and the produced water is moved by truck to other facilities for disposal. Oil was being picked up by a truck on the east side of the tanks when the fire occurred. At the time of the flre five wells were open to flowback. The operator has not taken necessary precautions to prevent significant adverse environmental impacts to air, water, soil, or biological resources to the extent necessary to protect public health, safety and welfare, including the environment and wildlife resources. Operator shall come into compliance immediately.

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):

Comment:

Pilot: Wildlife Protection Devices (fired vessels):

Reclamation - Storm Water - Pit

Interim Reclamation:

Date Interim Reclamation Started: Date Interim Reclamation Completed:

Land Use: IMPROVED PASTURE

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: IMPROVED PASTURE

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 _____

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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
Ditches	Pass					
Gravel	Pass	Gravel	Pass	CM	Pass	
Berms	Pass					
Waddles	Pass					

S/U/V: Satisfactory Corrective Date:

Comment:

CA:

Pits: ☐ NO SURFACE INDICATION OF PIT