

**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



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Inspection Date:  
12/19/2013

Document Number:  
673400170

Overall Inspection:  
**Unsatisfactory**

**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>116589</u>	<u>312756</u>	<u>Waldron, Emily</u>	<input type="checkbox"/>	

**Operator Information:**

OGCC Operator Number: \_\_\_\_\_

Name of Operator: POC-I LLC

Address: 1888 SHERMAN ST #500

City: DENVER State: CO Zip: 80203

- 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
FISCHER, ALEX		alex.fischer@state.co.us	
KELLERBY, SHAUN		shaun.kellerby@state.co.us	
Smothermon, Jerry		jerrydsmo@msn.com	
NEIDEL, KRIS		kris.neidel@state.co.us	
Wallis, Roy		roy_wallis@blm.gov	
Wiser, Shawna		swiswer@blm.gov	

**Compliance Summary:**

QtrQtr: \_\_\_\_\_ Sec: \_\_\_\_\_ Twp: \_\_\_\_\_ Range: \_\_\_\_\_

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Unsatisfactory	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
01/25/2012	662300137			Violation			Yes
03/16/2010	200240102	PR	PR	Unsatisfactory			Yes

**Inspector Comment:**

**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
116589	PIT		09/23/1999		-	ILES DOME SUNDANCE TANK BAT 2/PIT	<input type="checkbox"/>
222181	WELL	PR	06/26/2006	OW	081-05119	ILES DOME UNIT 8	PR <input type="checkbox"/>

**Equipment:**

Location Inventory

Empty box for equipment and location inventory details.

Inspector Name: Waldron, Emily

Special Purpose Pits: _____	Drilling Pits: _____	Wells: _____	Production Pits: _____
Condensate Tanks: _____	Water Tanks: _____	Separators: _____	Electric Motors: _____
Gas or Diesel Motors: _____	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
BATTERY	Unsatisfactory	Sign at battery incomplete.	Install sign to comply with rule 210.	01/31/2014
TANK LABELS/PLACARDS	Unsatisfactory	No labels on any tank.	Install sign to comply with rule 210.	02/07/2014

Emergency Contact Number: (S/U/V) Unsatisfactory Corrective Date: 02/23/2014

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

Corrective Action: Install emergency number.

**Good Housekeeping:**

Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
DEBRIS	Satisfactory	Oily rags, buckets, tools. All locations, including wells and surface production facilities shall be kept free of weeds; rubbish, and other waste material. Per rule 603.f		
UNUSED EQUIPMENT	Unsatisfactory	Tank 4 and 1 are out of service and in disrepair.	Completely isolate tanks 1 and 4 from process.	01/20/2014

**Spills:**

Type	Area	Volume	Corrective action	CA Date
Crude Oil	Tank	<= 5 bbls	Stained pea gravel at tank 3. Operator was told they needed to submit a form 19 and remediate spill immediately.	12/29/2013
Produced Water	Flow Line	<= 5 bbls	Inspector observed leak from ball valve during inspection; pumper tightened valve and stopped leak. Operator was advised to submit a form 19.	12/29/2013

Multiple Spills and Releases?

**Fencing/:**

Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
PIT	Unsatisfactory	Several holes in the wildlife fence around the pits.	Repair fence to prevent wildlife from accessing pits.	01/31/2014

<b>Facilities:</b>		<input type="checkbox"/> New Tank	Tank ID: _____	
Contents	#	Capacity	Type	SE GPS
CRUDE OIL	2	500 BBLS	STEEL AST	,
S/U/V:	Comment:		No labels on tanks. Tank tops showing signs of corrosion. H2S was detected during the inspection. Reporting requirements for H2S are found in rule 607.c and the Northwest Area Notification Policy.	
Corrective Action:	Immediately remove tanks from service. POC shall contract a third party Professional Engineer (P.E.) registered in the State of Colorado to complete an independent inspection of each of the above ground storage/process tanks and process flow lines. Prior to placing the tanks and process back into service, the P.E. shall certify the structural and mechanical integrity of the tanks. Report H2S to COGCC and the LGD as per rule 607.c and the Northwest Area Notification Policy.			Corrective Date: 01/31/2014
<u>Paint</u>				
Condition				
Other (Content)	_____			
Other (Capacity)	_____			
Other (Type)	_____			
<u>Berms</u>				
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
PRODUCED WATER	3	OTHER	STEEL AST	,
S/U/V:	Comment:		1500 BBL tanks. No labels on tanks. The tank tops on all three tanks are corroding. Tank 2 is the worst. With the tank tops in this condition it is impossible for the tanks to be in compliance with rule 605.a(9). H2S was detected during the inspection. Reporting requirements for H2S are found in rule 607.c and the Northwest Area Notification Policy.	
Corrective Action:	Immediately remove tanks from service. POC shall contract a third party Professional Engineer (P.E.) registered in the State of Colorado to complete an independent inspection of each of the above ground storage/process tanks and process flow lines. Prior to placing the tanks and process back into service, the P.E. shall certify the structural and mechanical integrity of the tanks. Report H2S to COGCC and the LGD as per rule 607.c and the Northwest Area Notification Policy.			Corrective Date: 01/31/2014
<u>Paint</u>				
Condition				
Other (Content)	_____			
Other (Capacity)	_____			
Other (Type)	_____			
<u>Berms</u>				
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: 116589

**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:

**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: \_\_\_\_\_

<b>Water Well:</b>	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: \_\_\_\_\_

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 \_\_\_\_\_ 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

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

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

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

**Pits:**  NO SURFACE INDICATION OF PIT

Pit Type: Skimming/Settling Lined: YES Pit ID: \_\_\_\_\_ Lat: \_\_\_\_\_ Long: \_\_\_\_\_

**Lining:**

Liner Type: Plastic Liner Condition: Inadequate

Comment: Liner has been breached in pit 1 and 2.

**Fencing:**

Fencing Type: Wildlife Fencing Condition: Inadequate

Comment: Holes in wildlife fence.

**Netting:**

Netting Type: Mesh Netting Condition: Sagging into pit

Comment: Holes and sagging in netting.

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

Pit (S/U/V): Violation Comment: Holes in wildlife fence, not 2 feet of freeboard, netting has holes and is sagging into pits.

Corrective Action: Repair wildlife fence. Replace netting. Take action to insure 2 feet of freeboard visible in all three pits. Provide written work plan to COGCC staff. Date: 01/20/2014

**COGCC Comments**

Comment	User	Date
A joint inspection was conducted with POC, BLM and COGCC representatives. All unsatisfactory and violations in this report were disussed with all parties. The operator will provide to COGCC a third party evaluation of the integrity of all 8 tanks. The operator will also supply a written work plan detailing when they plan to address each issue listed. In addition the operator has agreed to provide a detailed schematic of the battery and pits, and list of the producing wells coming into the battery.	waldrone	12/20/2013