

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
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Inspection Date:
05/13/2014

Document Number:
674600366

Overall Inspection:
SATISFACTORY

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>298977</u>	<u>320919</u>	<u>Maclaren, Joe</u>	<input type="checkbox"/>	

Operator Information:

OGCC Operator Number:	<u>69805</u>
Name of Operator:	<u>PETROX RESOURCES INC</u>
Address:	<u>P O BOX 2600</u>
City:	<u>MEEKER</u> State: <u>CO</u> Zip: <u>81641</u>

- 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
Clark, Mike	(970)878-5594	mike.petroxcbm@gmail.com	Owner
Nystrom, Dusty	(505) 330-1328/ (719) 529-0682	nystrow@yahoo.com	All Inspections

Compliance Summary:

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
07/05/2011	200315775	PR	SI	ACTION REQUIRED			Yes
12/09/2010	200287959	PR	SI	ACTION REQUIRED			Yes
10/14/2010	200285251	PR	SI	ACTION REQUIRED			Yes
03/09/2009	200205933	CO	SI	ACTION REQUIRED			No
01/08/2009	200202734	ES	SI	SATISFACTOR Y			No
12/19/2008	200207008	ES	SI	SATISFACTOR Y			No
12/10/2008	200199965	ES	UN	ACTION REQUIRED			Yes
11/14/2008	200198761	DG	DG	ACTION REQUIRED			Yes

Inspector Comment:

There are no signs on the steel AST tanks. Install signs to comply with rule 210d to include name of operator, emergency contact number, tank capacity, tank contents and NFPA label. The fire hazard of NFPA label must show at least a "1". See signs/ markers section of this report. Pictures Uploaded. In addition, please review the form 2A COA's section of this report and maintain all required actions regarding compliance.

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
159427	UIC DISPOSAL	AC	05/17/2013		-	TIERRA PIEDRA 15-1 SWD	AC <input checked="" type="checkbox"/>

Inspector Name: Maclaren, Joe

297282	WELL	PA	10/01/2008	OTH	007-06262	TIERRA PIEDRA 33-5 15-1	PA	<input type="checkbox"/>
298977	WELL	PR	07/01/2013	OW	007-06269	TIERRA PIEDRA 33-5 15-1 R	PR	<input checked="" type="checkbox"/>
423717	WELL	DG	09/04/2012	DSPW	007-06307	TIERRA PIEDRA 33-5 (EPA) #15-1 SWD	DG	<input type="checkbox"/>

Equipment: Location Inventory

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

Location

Signs/Marker:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
TANK LABELS/PLACARDS	ACTION REQUIRED	No labeling on produced water tanks.	Install sign to comply with rule 210.	06/10/2014

Emergency Contact Number (S/A/V): SATISFACTORY

Corrective Date: _____

Comment: _____

Corrective Action: _____

Good Housekeeping:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
UNUSED EQUIPMENT		Extra fiberglass housing unit on location.	Remove as soon as practical if no longer needed.	

Spills:

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

Fencing/:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
WELLHEAD	SATISFACTORY	Fiberglass Housings		

Equipment:

Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Deadman # & Marked	7	SATISFACTORY			
Vertical Heated Separator	1	SATISFACTORY			
Ancillary equipment	1	SATISFACTORY	AC Electrical Service		
Ancillary equipment	1	SATISFACTORY	Water line valve can		

Inspector Name: Maclaren, Joe

Bird Protectors	1	SATISFACTORY		
Other	1	SATISFACTORY	Flowing Wellhead	
Ancillary equipment	1	SATISFACTORY	Telemetry	
Flow Line	2	SATISFACTORY		
Gas Meter Run	1	SATISFACTORY		
Other	1	SATISFACTORY	UIC wellhead	

Facilities: New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	3		STEEL AST	37.111130,-107.385450

S/A/V: _____ Comment: All tanks require labeling

Corrective Action: _____ Corrective Date: _____

Paint

Condition	Adequate
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Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal	Adequate	Walls Sufficient	Base Sufficient	Adequate

Corrective Action _____ Corrective Date _____

Comment: Metal berming with synthetic liner

Venting:

Yes/No	Comment
NO	

Flaring:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Predrill

Location ID: 298977

Site Preparation:
 Lease Road Adeq.: _____ Pads: _____ Soil Stockpile: _____

S/A/V: _____
 Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:

Group	User	Comment	Date
OGLA	kubeczkod	GENERAL SITE COAs: Operator must submit an as-built drawing (plan view and cross-sections) of the SWD injection well pad and associated equipment within 14 calendar days of construction. Location is in a sensitive area because of close proximity to surface water, therefore, operator must ensure 110 percent secondary containment for any	04/18/2011

volume of fluids contained at well site during drilling and completion operations; including, but not limited to, construction of a berm (12-inch earthen should be sufficient) or diversion dike, diversion/collection trenches within and/or outside of berms/dikes, site grading, or other comparable measures (i.e., best management practices (BMPs) associated with stormwater management) sufficiently protective of nearby surface water. Any berm constructed at the well pad location will be stabilized, inspected at regular intervals (at least every 14 days), and maintained in good condition.

Operator must implement best management practices to contain any unintentional release of fluids, including any fluids conveyed via temporary surface pipelines or permanent buried pipelines.

Location is in a sensitive area due to close proximity to a water well and shallow groundwater; therefore any pit used to contain/hold fluids, if constructed, must be lined or a closed loop system (which operator has indicated on the Form 2A – Section 6. Construction) must be implemented during drilling. If a drilling pit is constructed and is not closed (either drained and/or backfilled) immediately after well completion, then operator must appropriately fence and net the drilling pit, in a timely manner, and maintain the fencing and netting until pit is closed.

Notify COGCC Oil and Gas Location Assessment (OGLA) Specialist for Western Colorado (Dave Kubeczko; email dave.kubeczko@state.co.us) and the COGCC Field Inspection Supervisor for Southern Colorado (Mike Leonard; email mike.leonard@state.co.us) 48 hours prior to start of construction/move in of rig.

The moisture content of any drill cuttings in a cuttings pit, trench, or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts. At the time of closure, the drill cuttings must also meet the applicable standards of table 910-1.

If the injection requires hydraulic fracturing, flowback and stimulation fluids must be sent to tanks to allow the sand to settle out before the fluids can be placed into any pipeline or pit located on the well pad. The flowback and stimulation fluid tanks must be placed on the well pad in an area with additional downgradient perimeter berming. The area where flowback fluids will be stored/reused must be constructed to be sufficiently impervious to contain any spilled or released material (per Rule 604.a.(4)).

Notify the COGCC Oil and Gas Location Assessment (OGLA) Specialist for Western Colorado (Dave Kubeczko; email dave.kubeczko@state.co.us) and the COGCC Field Inspection Supervisor for Southern Colorado (Mike Leonard; email mike.leonard@state.co.us) 48 hours prior to start of fracing operations.

Operator will use qualified containment devices for all appropriate chemicals/hazardous materials used onsite during the operation of the injection well.

Operator shall equip and maintain on all tanks an electronic level monitoring device that will immediately shut in pipelines from wells.

Operator shall install a steel containment ring around tank batteries to provide secondary containment and install a synthetic liner that underlies the entire battery and is keyed into the top of the containment ring.

Operator must submit a list of all Conditions of Approval (COAs) along with the Frderal EPA UIC Final/Approved Permit package to the COGCC Oil and Gas Location Assessment (OGLA) Specialist for Western Colorado (Dave Kubeczko; email dave.kubeczko@state.co.us) and the COGCC UIC Engineer (Denise Onyskiw; email denise.onyskiw@state.co.us) prior to COGCC being able to pass the Form 2 and Form 2A permits for this SWD injection well. All federal COAs will be incorporated into the COGCC's Form 2 and/or Form 2A.

S/AN: _____ **Comment:** _____

CA: _____ Date: _____

Wildlife BMPs:

S/A/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: 159427 Type: UIC API Number: - Status: AC Insp. Status: AC

Facility ID: 298977 Type: WELL API Number: 007-06269 Status: PR Insp. Status: PR

Producing Well

Comment: PR

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: DRY LAND, OTHER

Comment: _____

- 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? Pass 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 ? Pass

1003c. Compacted areas have been cross ripped? _____

1003d. Drilling pit closed? Pass Subsidence over on drill pit? Pass

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

1003 f. Weeds Noxious weeds? _____ P _____

Comment: _____

Overall Interim Reclamation Pass

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____ Date Final Reclamation Completed: _____

Final Land Use: DRY LAND, OTHER

Reminder: _____

Inspector Name: Maclaren, Joe

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
		Culverts	Pass			
Gravel	Pass	Gravel	Pass			
Compaction	Pass	Compaction	Pass			

S/A/V: SATISFACTOR _____ Corrective Date: _____
Y _____

Comment:

CA:

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
674600367	Tank battery lacking signage	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3342983
674600368	Tank battery without signage	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3342984