

**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:

07/17/2014

Document Number:

668800127

Overall Inspection:

SATISFACTORY**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection <input type="checkbox"/>
	437880	437879	GOODWIN, AMANDA	2A Doc Num: _____

Operator Information:OGCC Operator Number: 10301Name of Operator: DEJOUR ENERGY (USA) CORPORATIONAddress: 1401 17TH STREET #850City: 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
Haeefe, Gary		ghaeefe@dejour.com	
Goodwin, Amanda		amanda.goodwin@state.co.us	
Conklin, Curtis		curtis.conklin@state.co.us	

Compliance Summary:QtrQtr: SENE Sec: 21 Twp: 6S Range: 91W**Inspector Comment:****Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
437880	WELL	XX	06/30/2014		045-22451	Federal 14/15-8-21	XX	<input checked="" type="checkbox"/>

Equipment:Location Inventory

Special Purpose Pits: _____	Drilling Pits: <u>1</u>	Wells: <u>8</u>	Production Pits: <u>1</u>
Condensate Tanks: <u>4</u>	Water Tanks: <u>8</u>	Separators: <u>3</u>	Electric Motors: _____
Gas or Diesel Mortors: _____	Cavity Pumps: _____	LACT Unit: _____	Pump Jacks: _____
Electric Generators: _____	Gas Pipeline: <u>1</u>	Oil Pipeline: _____	Water Pipeline: <u>1</u>
Gas Compressors: _____	VOC Combustor: <u>1</u>	Oil Tanks: _____	Dehydrator Units: <u>2</u>
Multi-Well Pits: _____	Pigging Station: <u>1</u>	Flare: <u>1</u>	Fuel Tanks: _____

Location**Lease Road:**

Type	Satisfactory/Action Required	comment	Corrective Action	Date
Access	SATISFACTORY	Pipeline R.O.W. to become access road. Pipeline fitting in progress.		

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

Corrective Date: _____

Inspector Name: GOODWIN, AMANDA

Comment:

Corrective Action:

Spills:

Type	Area	Volume	Corrective action	CA Date
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☐ Multiple Spills and Releases?

Venting:

Yes/No	Comment

Flaring:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Predrill

Location ID: 437880

Site Preparation:

Lease Road Adeq.: SATISFACTORY

Pads:

Soil Stockpile: SATISFACTORY

S/A/V: SATISFACT

Corrective Action: Date: CDP Num.:

Form 2A COAs:

Group	User	Comment	Date
OGLA	kubeczkd	<p>The moisture content of any drill cuttings in a cuttings trench or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts. At the time of closure, if drill cuttings are to remain/disposed of onsite, they must also meet the applicable standards of table 910-1. . If a liner has been placed in the cuttings trench, it must be removed and disposed of as solid waste per CDPHE rules, prior to replacing dried cuttings into the trench.</p> <p>If the wells are to be hydraulically stimulated, flowback and stimulation fluids must be sent to tanks, separators, or other containment/filtering equipment before the fluids can be placed into any pipeline or storage vessel located on the well pad; or pit located on the well pad; or into tanker trucks for offsite disposal. The flowback and stimulation fluid tanks, separators, or other containment/filtering equipment must be placed on the well pad in an area constructed to be sufficiently impervious to contain any spilled or released material.</p> <p>Operator will use qualified containment devices for all appropriate chemicals/hazardous materials used onsite during hydraulic stimulation operations.</p> <p>Operator will implement measures to ensure that adequate separation of hydrocarbons from the influent occurs to prevent accumulation of oil on the surface of stored fluids. Operator shall also employ a method for monitoring buildup of phase-separated hydrocarbons on the surface of stored fluids.</p>	06/29/2014

OGLA	kubeczkd	<p>Operator must ensure secondary containment for any volume of fluids contained at well site during drilling and completion operations; including, but not limited to, construction of a berm or diversion dike, diversion/collection trenches within and/or outside of berms/dikes, site grading, or other comparable measures 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.</p> <p>The location is in an area of moderate run off/run-on potential; therefore the pad shall be constructed to prevent any stormwater run-on and/or stormwater runoff. Standard stormwater BMPs must be implemented at this location to insure compliance with CDPHE and COGCC requirements and to prevent any stormwater run-on and /or stormwater runoff.</p> <p>The access road will be constructed and maintained as to not allow any sediment to migrate from the access road to nearby surface water or any drainages leading to surface water.</p> <p>Strategically apply fugitive dust control measures, including enforcing established speed limits on private roads, to reduce fugitive dust and coating of vegetation and deposition in water sources.</p> <p>Operator must submit an as-built drawing (plan view and cross-sections) of the well pad and associated equipment within 30 calendar days of construction.</p> <p>If permanent crude, condensate, and water tanks are placed at the site (currently all fluids will be piped, 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.</p>	06/29/2014
OGLA	kubeczkd	<p>Notify the COGCC 48 hours prior to start of pad construction, pit construction, pit liner installation, pit liner hydrostatic testing, rig mobilization, spud, pipeline testing, start of hydraulic stimulation operations, and start of flowback operations using Form 42 (the appropriate COGCC individuals will automatically be email notified, including the LGD for hydraulic stimulation operations).</p>	06/29/2014
OGLA	kubeczkd	<p>Operator shall pressure test pipelines in accordance with Rule 1101.e.(1) prior to putting into initial service any temporary surface or permanent buried pipelines and following any reconfiguration of the pipeline network.</p> <p>Operator must routinely inspect the entire length of the surface pipeline to ensure integrity. Operator shall conduct daily inspections of surface poly pipeline routes for leaks during active transfer of fluids and implement best management practices to contain any unintentional release of fluids along all portions of the surface pipeline route where temporary pumps and other necessary equipment are located. Inspections shall be conducted by viewing the length of the pipeline; operator will endeavor to minimize surface disturbance during pipeline monitoring. The operator shall maintain records of inspections, findings and repairs, if necessary, for the life of the pipelines. In addition, pump stations along the surface poly or steel pipeline route will be continuously monitored when operating in order to swiftly respond to such a failure.</p> <p>Operator must ensure no release of fluids at all stream, intermittent stream, ditch, and drainage crossings. For these crossings: operator will ensure appropriate containment by either installing over-sized pipe "sleeves" which extend the length of the crossing and beyond to a distance deemed adequate to capture and/or divert any possible release of fluids and prevent fluids from reaching the stream or drainage; or installing oversized pipe "sleeves" which extend the length of the crossing and installing shut off valves on either side of crossing instead of catchment basins.</p> <p>Operator will utilize, to the extent practical, all existing access and other public roads, and/or existing pipeline right-of-ways, when placing/routing the subsurface and, if necessary and surface, pipelines. This will reduce surface disturbance and fragmentation of wildlife habitat in the area.</p>	06/29/2014

S/A/V: SATISFACTORY Comment: Lease road being paired with pipeline R.O.W. to reduce total disturbance.

CA: Date:

Wildlife BMPs:

S/A/V: SATISFACTORY Comment: Slash will be either utilized during reclamation or removed from location. If slash is to be used, recommend reducing mass (grinding down) to manageable sizes.

CA: Date:

Stormwater:

Erosion BMPs	Present	Other BMPs	Present
WADDLES	Yes	Vehicle Trakcing	Yes`

S/A/V: SATISFACTORY

Corrective Action: Date:

Comments: Erosion BMPs: Slash being utilized down hill (inside waddles). Topsoil stockpile set uphill from pad (in process).

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: 437880 Type: WELL API Number: 045-22451 Status: XX Insp. Status: XX

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: OTHER, RANGELAND

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 REVEGETATIONCropland

Top soil replaced _____ Recontoured _____ Perennial forage re-established _____

Non-Cropland

Top soil replaced _____ Recontoured _____ 80% Revegetation _____

1003 f. Weeds Noxious weeds? _____

Inspector Name: GOODWIN, AMANDA

Comment:

Overall Interim Reclamation

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started:

Date Final Reclamation Completed:

Final Land Use: OTHER, RANGELAND

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
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

S/A/V:

Corrective Date:

Comment:

CA:

Pits: ☐ NO SURFACE INDICATION OF PIT

COGCC Comments

Comment	User	Date
Inspection for reclamation purposes only.	GoodwinA	07/18/2014