

**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:

08/06/2014

Document Number:

674101169

Overall Inspection:

SATISFACTORY**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	436666	436661	Rickard, Jeffrey	<input type="checkbox"/>	

Operator Information:OGCC Operator Number: 8960Name of Operator: BONANZA CREEK ENERGY OPERATING COMPANYAddress: 410 17TH STREET SUITE #1400City: 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
Jones, Allen		jaj@bonanzacrk.com	All Bonanza Creek Inspections

Compliance Summary:QtrQtr: NENW Sec: 4 Twp: 4N Range: 62W**Inspector Comment:****Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
436662	WELL	XX	04/06/2014		123-39209	State Seventy Holes 21-24-4HNB	XX	<input checked="" type="checkbox"/>
436663	WELL	XX	04/06/2014		123-39210	State Seventy Holes F-J-4HNB	XX	<input checked="" type="checkbox"/>
436664	WELL	XX	04/06/2014		123-39211	State Seventy Holes K21-O24-4HNB	XX	<input checked="" type="checkbox"/>
436665	WELL	XX	04/06/2014		123-39212	State Seventy Holes F21-J24-4HNB	XX	<input checked="" type="checkbox"/>
436666	WELL	XX	04/06/2014		123-39213	State Seventy Holes F-J-4HC	XX	<input checked="" type="checkbox"/>

Equipment:**Location Inventory**

Special Purpose Pits: <u> </u>	Drilling Pits: <u> </u>	Wells: <u>7</u>	Production Pits: <u> </u>
Condensate Tanks: <u>4</u>	Water Tanks: <u>7</u>	Separators: <u>7</u>	Electric Motors: <u>13</u>
Gas or Diesel Mortors: <u>7</u>	Cavity Pumps: <u> </u>	LACT Unit: <u>2</u>	Pump Jacks: <u>7</u>
Electric Generators: <u>4</u>	Gas Pipeline: <u> </u>	Oil Pipeline: <u> </u>	Water Pipeline: <u> </u>
Gas Compressors: <u>10</u>	VOC Combustor: <u>8</u>	Oil Tanks: <u>25</u>	Dehydrator Units: <u>1</u>
Multi-Well Pits: <u> </u>	Pigging Station: <u>1</u>	Flare: <u>1</u>	Fuel Tanks: <u> </u>

Location

Inspector Name: Rickard, Jeffrey

Signs/Marker:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
OTHER	SATISFACTORY	Construction		

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

Comment: _____

Corrective Action: _____

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

Venting:		
Yes/No	Comment	

Flaring:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Predrill

Location ID: 436666

Site Preparation:

Lease Road Adeq.: SATISFACTORY Pads: SATISFACTORY Soil Stockpile: SATISFACTORY

S/A/V: _____

Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:

S/A/V: _____ **Comment:** _____

CA: _____ **Date:** _____

Wildlife BMPs:

BMP Type	Comment
Construction	<p>The following procedure describes BCEI standard construction practices for setting a partially buried pre-cast cement water vault and new tank battery construction.</p> <ol style="list-style-type: none">1) The excavation will first be lined with 4" of clay or other low permeability soil.2) A 30 mil liner will be installed on top of the low permeability soil. The 30 mil liner will be a contiguous liner which will underlay the entire tank battery.3) The tank battery / water vault liner will be keyed into a galvanized steel containment ring installed surrounding the tank battery.4) Sand bedding will be installed to protect the synthetic liner prior to placing equipment in the containment area.

Drilling/Completion
Operations

Temporary Large Volume Storage Tank (MLVT) Best Management Practices (BMPs)

- 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 TVLSTs.
- Signs shall be posted on each MLVT to indicate contents are freshwater and that no E&P Waste fluids are allowed. Location and additional signage shall conform to Rule 210.
- MLVTs may only be utilized for the storage of freshwater. E&P wastes, including produced water, treated E&P wastes, and flowback from hydraulic fracturing operations will not be allowed.
- MLVTs shall not be located on non-engineered fill material. Subgrade preparation shall be verified by proof-rolling prior to MLVT installation.
- All MLVT liners seams shall be welded at the liner manufacturer's facility. Field welded liners shall not be used. Liners shall not be reused.
- Bonanza will develop a Contingency Plan specific to the location for any LVST leak or catastrophic failure of the tank integrity and resulting loss of fluid. The plan includes a notification process to the COGCC and local Emergency authority (municipality, county, or both) for any failure resulting in loss of fluid.
- A minimum of 1 foot of freeboard will be maintained in all MLVTs.
- Should a failure of MLVT integrity occur, Bonanza will notify COGCC upon discovery, report the incident to COGCC on a Form 22-Accident Report within 10 days of discovery, and conduct a root cause analysis. The results of the root cause analysis will be reported to COGCC on a Sundry-Form 4 within 30 days of discovery of the failure.
- MLVTs will be constructed and operated in accordance with a design certified by a Colorado Licensed Professional Engineer.
- Once in operation, MLVTs will be inspected daily and any deficiencies repaired as soon as practicable.
- Access to the tanks shall be limited to operational personnel.
- Bonanza will use only MLVTs supplied by Rockwater or other contractors that are knowingly complying with COGCC inspection, maintenance, and record keeping policies.

S/A/V: SATISFACTORY

Comment:

CA:

Date:

Stormwater:

Erosion BMPs	Present	Other BMPs	Present
BERMS	Yes		

S/A/V: SATISFACTORY

Corrective Action: _____ Date: _____

Comments: Erosion BMPs: _____

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:

Inspector Name: Rickard, Jeffrey

Summary of Operator Response to Landowner Issues:

Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:

Facility

Facility ID: 436662 Type: WELL API Number: 123-39209 Status: XX Insp. Status: XX

Facility ID: 436663 Type: WELL API Number: 123-39210 Status: XX Insp. Status: XX

Facility ID: 436664 Type: WELL API Number: 123-39211 Status: XX Insp. Status: XX

Facility ID: 436665 Type: WELL API Number: 123-39212 Status: XX Insp. Status: XX

Facility ID: 436666 Type: WELL API Number: 123-39213 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: 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? _____

Comment: _____

Overall Interim Reclamation _____ In Process _____

Final Reclamation/ Abandoned Location:

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

Final Land Use: 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 ☐

Inspector Name: Rickard, Jeffrey

Storm Water:						
Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Berms	Pass					
S/A/V: SATISFACTOR Corrective Date: _____ Y _____						
Comment: _____						
CA: _____						
Pits: <input type="checkbox"/> NO SURFACE INDICATION OF PIT						

COGCC Comments		
Comment	User	Date
Location being constructed. Stormwater OK.	rickardj	08/06/2014