

**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:
09/16/2014Document Number:
674101333

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	239358	317540	Rickard, Jeffrey	<input type="checkbox"/>	

Operator Information:

OGCC Operator Number: 8960

Name of Operator: BONANZA CREEK ENERGY OPERATING COMPANY

Address: 410 17TH STREET SUITE #1400

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
Chesson, Bob		robert.chesson@state.co.us	
Axelson, John		john.axelson@state.co.us	
Jones, Allen		jaj@bonanzacrk.com	All Bonanza Creek Inspections

Compliance Summary:QtrQtr: NENE Sec: 2 Twp: 3N Range: 63W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
07/07/2009	200214469	PR	PR	SATISFACTORY			No
08/22/1997	500160891	HR	PA		P	Pass	No

Inspector Comment:**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
239358	WELL	PR	05/01/2014	OW	123-07145	STATE 1-2	PR	<input checked="" type="checkbox"/>

Equipment:Location Inventory

Special Purpose Pits: _____	Drilling Pits: _____	Wells: _____	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

Signs/Marker:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
TANK LABELS/PLACARDS	SATISFACTORY			
WELLHEAD	SATISFACTORY			
BATTERY	SATISFACTORY			

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

Corrective Date: _____

Comment: _____

Corrective Action: _____

Good Housekeeping:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
STORAGE OF SUPL	ACTION REQUIRED	Chemicals stored by prime mover (see photo).	Remove chemicals from location.	11/16/2014
WEEDS	ACTION REQUIRED	Weeds at battery and seperator (see photos)	Control Weeds.	11/16/2014
UNUSED EQUIPMENT	ACTION REQUIRED	Pump Jack, Prime mover, and rods stored present at well head (see Photos)	Remove unused equipment.	11/16/2014

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			
TANK BATTERY	SATISFACTORY			

Equipment:					
Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Gas Meter Run	1	SATISFACTORY			
Plunger Lift	1	SATISFACTORY			
Horizontal Heated Separator	1	SATISFACTORY			

Inspector Name: Rickard, Jeffrey

Facilities:		<input type="checkbox"/> New Tank	Tank ID: _____	
Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	1	300 BBLS	STEEL AST	40.260690,-104.402280
S/AV:	ACTION REQUIRED		Comment: Visible pin hole(s) in tank observed leaking. Visible rust, tank needs to be painted.	
Corrective Action:		Contact COGCC Environmental within 14 days regarding holes in tank and reporting spills. Repair holes in tank. Paint tank.		Corrective Date: 11/16/2014

Paint

Condition	Inadequate
Other (Content)	_____
Other (Capacity)	_____
Other (Type)	_____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate	Walls Sufficient	Base Sufficient	Adequate
Corrective Action				Corrective Date
Comment				

Facilities:		<input type="checkbox"/> New Tank	Tank ID: _____	
Contents	#	Capacity	Type	SE GPS
CRUDE OIL	1	300 BBLS	STEEL AST	40.260690,-104.402280
S/AV:	ACTION REQUIRED		Comment: Visible pin holes in tank (see photo).	
Corrective Action:		Contact COGCC Environmental within 14 days regarding holes in tank and reporting spills. Repair holes in tank.		Corrective Date: 11/16/2014

Paint

Condition	Adequate
Other (Content)	_____
Other (Capacity)	_____
Other (Type)	_____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate	Walls Sufficient	Base Sufficient	Adequate
Corrective Action				Corrective Date
Comment				

Venting:		
Yes/No	Comment	
NO		

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

Predrill

Location ID: 239358

Site Preparation:

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

S/A/V: _____

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

Form 2A COAs:**S/A/V:** _____ **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: 239358 Type: WELL API Number: 123-07145 Status: PR Insp. Status: PR

Producing Well

Comment: PR

BradenHead

Comment: Braden head is not exposed at surface.

CA: Expose/plumb braden head to surface.

CA Date: 11/16/2014

Environmental**Spills/Releases:**

Inspector Name: Rickard, Jeffrey

Type of Spill: WATER	Description: Tank leaking	Estimated Spill Volume: _____
Comment: Pin holes in water tank observed leaking. Contamination is "daylighting" at surface.		
Corrective Action: Fill out form 19.	Date: 09/30/2014	
Reportable: _____	GPS: Lat _____	Long _____
Proximity to Surface Water: _____	Depth to Ground Water: _____	

Water Well:

DWR Receipt Num: _____	Owner Name: _____	GPS : _____	Lat _____	Long _____
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Field Parameters:

Sample Location: _____

Emission Control Burner (ECB): N _____

Comment: _____

Pilot: _____ Wildlife Protection Devices (fired vessels): YES _____

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

Inspector Name: Rickard, Jeffrey

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/A/V: **ACTION REQUIRED**

Corrective Date: **11/16/2014**

Comment: **Pollutant sources in the form of stained soil are present at wellhead. (see photos)**

CA: **Clean up stained soil.**

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
674101334	Unused rods at wellhead.	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3435864
674101335	Unused pump jack and prime mover	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3435865
674101336	Storage of chemicals and stained soil at wellhead.	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3435866
674101337	Stained soil at wellhead.	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3435867
674101338	Weeds at separator.	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3435868

Inspector Name: Rickard, Jeffrey

674101339	Weeds at tank battery	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3435869
674101340	Visible rust on water tank	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3435870
674101341	Produced water "daylighting" at surface.	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3435871
674101342	Produced water "daylighting" at surface (2)	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3435872
674101343	Leak in produced water tank.	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3435873
674101344	Hole in oil tank.	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3435874

ACTION REQUIRED

ANY ACTION REQUIRED items listed on this report indicate that the oil and gas facility or the oil and gas operations listed on the report may be in violation of the rules and regulations of the Colorado Oil and Conservation Commission (“COGCC”) and corrective action is required.

There is reasonable cause to believe that a violation of the Oil and Gas Conservation Act, or of any rule, regulation, or order of the Commission, or of any permit issued by the Commission, has occurred. The Operator’s compliance with this Inspection Report is required to resolve these alleged violations. This document requires the Operator to timely respond to the COGCC and to comply with directives as listed by the **Corrective Action Deadline Date**. Failure to do so will result in the issuance of a Notice of Alleged Violation and initiation of enforcement proceedings in which COGCC will seek monetary penalties for the alleged violations pursuant to § 34-60-121, C.R.S. and Rule 523, COGCC Rules of Practice and Procedure, 2 CCR 404-1. (Please note that the COGCC's penalty authority was recently increased to a maximum of \$15,000 per day and penalties are no longer capped at a maximum of \$10,000 per violation.)