

**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:

08/13/2014

Document Number:

671000049

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	335842	335842	LUJAN, CARLOS	<input type="checkbox"/>	

Operator Information:OGCC Operator Number: 10516Name of Operator: LINN OPERATING INCAddress: 1999 BROADWAY SUITE 3700City: 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
hogelin, Tom	(970)	thogelin@linnenergy.com	Construction Foreman
Johnson, Derek	970-285-2200	dsjohnson@linnenergy.com	Dist. Production Superintendent
Lujan, Carlos		carlos.lujan@state.co.us	EPS NW
Fischer, Alex		alex.fischer@state.co.us	Supervisor NW Region
Burns, Bryan	(303) 999-4245	bburns@linnenergy.com	Sr. EHS
Hughes, Jim		jimo.hughes@state.co.us	EPS SW
Spencer, Stan		stan.spencer@state.co.us	EPS NW

Compliance Summary:QtrQtr: NWNW Sec: 32 Twp: 5S Range: 96W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
06/26/2013	663801184			SATISFACTORY	I		No

Inspector Comment:

Latham CD-32Wellhead stained (API 045 13689)Pit inactiveSeveral Stockpiles.Form 15, approved by DK with Facility ID assigned. Data was entered in database but Pit Facility not found in database. Internal issue to be resolved by COGCC staff.

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
289226	WELL	PR	10/06/2009	GW	045-13693	LATHAM 32-24D	PR
289227	WELL	PR	10/06/2009	GW	045-13692	LATHAM 32-23D	PR
289228	WELL	PR	11/06/2009	GW	045-13691	LATHAM 32-22D	PR
289229	WELL	PR	10/30/2009	GW	045-13690	LATHAM 32-29D	PR
289230	WELL	PR	09/29/2009	GW	045-13689	LATHAM 32-30D	PR
289231	WELL	PR	10/30/2009	GW	045-13688	LATHAM 32-31D	PR
289232	WELL	PR	02/13/2012	GW	045-13687	LATHAM 32-32D	PR
289233	WELL	PR	10/30/2009	GW	045-13686	LATHAM 32-21D	PR

Equipment:Location Inventory

Inspector Name: LUJAN, CARLOS

Special Purpose Pits: _____	Drilling Pits: _____	Wells: <u>8</u>	Production Pits: <u>1</u>
Condensate Tanks: <u>4</u>	Water Tanks: <u>1</u>	Separators: <u>2</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: _____	Oil Tanks: _____	Dehydrator Units: _____
Multi-Well Pits: _____	Pigging Station: _____	Flare: _____	Fuel Tanks: _____

Location

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: 335842

Site Preparation:

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

S/A/V: _____

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

Form 2A COAs:

Group	User	Comment	Date
OGLA	kubeczko	<p>GENERAL SITE AND ROAN RIM COAs:</p> <p>Operator must comply with all provisions of the June 12, 2008 Notice to Operators (NTO) Drilling Wells Within ¾ Mile of the Rim of the Roan Plateau in Garfield County – Pit Design, Construction, and Monitoring Requirements.</p> <p>After installation of the uppermost liner and prior to operating the pit, the synthetic liner(s) shall be tested by filling the pit with at least 4 feet of fresh water, measured from the base of the pit (not to exceed the 2-foot freeboard requirement). The operator shall monitor the pit for leaks for a period of 72 hours prior to draining the pit and commencing operations. Operator shall notify the COGCC Oil and Gas Location Assessment (OGLA) Specialist for Western Colorado (Dave Kubeczko; email dave.kubeczko@state.co.us) 48 hours prior to start of the hydrotest. Hydrotest monitoring results must be maintained by the operator for the life of the pit and provided to COGCC prior to using the pit.</p> <p>Operator must ensure 110 percent secondary containment for any volume of fluids contained at the water handling facility site during natural gas development activities and operations; including, but not limited to, construction of a berm or diversion dike, diversion/collection trenches within and/or outside of berms/dikes,</p>	03/22/2011

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 buried or temporary surface pipelines.

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 Northwest Colorado (Shaun Kellerby; email shaun.kellerby@state.co.us) 48 hours prior to start of construction or use of existing pit.

No portion of any pit that will be used to hold liquids shall be constructed on fill material, unless the pit and fill slope are designed and certified by a professional engineer, subject to review and approval by the director prior to construction of the pit. The construction and lining of the pit shall be supervised by a professional engineer or their agent. The entire base of the pit must be in cut.

The completion/flowback fluids multi-well pit must be double-lined. The pit will also require a leak detection system (Rule 904.e).

Operator must submit a professional engineer (PE) approved/stamped as-built drawing (plan view and cross-sections) of the completion/flowback pit within 14 calendar days of construction.

The nearby hillside and fill-material bermed portions of the pit must be monitored for any day-lighting of fluids throughout pit operations.

The completion/flowback fluids multi-well pit must be fenced and netted. The operator must maintain the fencing and netting until the pit is closed in accordance with Rule 905. Closure of Pits, and Buried or Partially Buried Produced Water Vessels.

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. The flowback and stimulation fluid tanks must be placed on the 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)).

Submit additional disposal facilities (wells, pits, etc.) for pit contents to COGCC via a Form 4 Sundry prior to disposal.

Surface water samples from Little Creek and the north tributary to Little Creek Operator shall be collected prior to pit use and every 12 months to evaluate potential impacts from pit operations. At a minimum, the surface water samples will be analyzed for the following parameters: major cations/anions (chloride, fluoride, sulfate, sodium); total dissolved solids (TDS); and BTEX/DRO.

At the time of pit closure, operator must submit disposal information via a Form 4 Sundry Notice to the COGCC Location Specialist for Western Colorado (Dave Kubeczko; email dave.kubeczko@state.co.us). The disposal method will need to be approved prior to operator starting pit closure. In addition, operator will collect a pit water sample and, at a minimum, analyze for the following parameters: pH; alkalinity; specific conductance; major cations/anions (chloride, fluoride, sulfate, sodium); total dissolved solids (TDS); BTEX/DRO; TPH; PAH's (including benzo[a]pyrene); and metals (arsenic, barium, calcium, chromium, iron, magnesium, selenium). At the time of closure/disposal of pit water, COGCC may require additional analytes, as appropriate.

Inspector Name: LUJAN, CARLOS

S/A/V:	Comment:	
CA:		Date:
Wildlife BMPs:		
S/A/V:	Comment:	
CA:		Date:
Stormwater:		
Comment:		
Staking:		
On Site Inspection (305):		
<u>Surface Owner Contact Information:</u>		
Name:	Address:	
Phone Number:	Cell Phone:	
<u>Operator Rep. Contact Information:</u>		
Landman Name:	Phone Number:	
Date Onsite Request Received:	Date of Rule 306 Consultation:	
Request LGD Attendance:		
<u>LGD Contact Information:</u>		
Name:	Phone Number:	Agreed to Attend:
<u>Summary of Landowner Issues:</u>		
<u>Summary of Operator Response to Landowner Issues:</u>		
<u>Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:</u>		

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:

		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: 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 _____

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 _____

Inspector Name: LUJAN, CARLOS

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: _____ Corrective Date: _____

Comment: _____

CA: _____

Pits: ☐ NO SURFACE INDICATION OF PIT

COGCC Comments

Comment	User	Date
<ul style="list-style-type: none">- Clean staining on and around well head (API 045 13689).- Move material that was dumped on berms.- Explain origin and conditions of stockpiles (new and old material). Present statistically representative analytical results. <p>Note: Draft Form 27 submitted Sept 15, 2014. Please submit Form 27, including analytical results of sampled material and a description of statistically representative sampling procedure for pit closure (number of samples, locations, analytes, etc.). Include estimated dates for sampling, pit closure, remediation, etc.</p>	lujanc	09/17/2014

Attached Documents

You can go to COGCC Images (<https://cogcc.state.co.us/weblink/>) and search by document number:

Document Num	Description	URL
671000055	PhotoReport_Linn CD-32	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3436725

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.)