

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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|----|----|----|----|
| DE | ET | OE | ES |
|----|----|----|----|

Inspection Date:
09/18/2014

Document Number:
668900197

Overall Inspection:

ACTION REQUIRED

FIELD INSPECTION FORM

| | | | | | |
|---------------------|---------------|---------------|---------------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | <u>212733</u> | <u>324803</u> | <u>Welsh, Brian</u> | <input type="checkbox"/> | |

Operator Information:

| | |
|-----------------------|---|
| OGCC Operator Number: | <u>16520</u> |
| Name of Operator: | <u>CHEMCO INC</u> |
| Address: | <u>558 CASTLE PINES PKWY UTB4#402</u> |
| City: | <u>CASTLE ROCK</u> State: <u>CO</u> Zip: <u>80104</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 |
|--------------|--------------|----------------|---------|
| Neher, Gray | 303-771-7777 | bogray@msn.com | |

Compliance Summary:

QtrQtr: NESE Sec: 26 Twp: 18S Range: 45W

| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Action Required | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|-------------------------------|----------|----------------|-----------------|
| 04/01/2013 | 668600588 | PR | PR | SATISFACTORY | P | | No |
| 03/10/2011 | 200302288 | PR | PR | SATISFACTORY | | | No |
| 08/11/2010 | 200266516 | PR | PR | ACTION REQUIRED | | | Yes |
| 04/12/2010 | 200242413 | PR | PR | ACTION REQUIRED | | | Yes |
| 04/22/2008 | 200189123 | PR | PR | ACTION REQUIRED | | | Yes |
| 04/18/2007 | 200109492 | RT | AC | SATISFACTORY | | Pass | No |
| 04/07/2000 | 200011594 | PR | PR | SATISFACTORY | I | Pass | No |
| 11/27/1998 | 500144631 | PR | PR | | | Pass | No |
| 11/06/1996 | 500144630 | ID | SI | | | Fail | Yes |
| 10/31/1995 | 500144629 | PR | SI | | | Pass | Yes |
| 11/08/1994 | 500144628 | | PR | | | | Yes |

Inspector Comment:

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|----------------|--|
| 115325 | PIT | | 09/23/1999 | | - | WEAR 3-2 | <input type="checkbox"/> |
| 212733 | WELL | PR | 10/29/2010 | GW | 061-06093 | WEAR, H C #3 2 | PR <input checked="" type="checkbox"/> |

Equipment:

Location Inventory

| |
|--|
| |
|--|

Inspector Name: Welsh, Brian

| | | | |
|------------------------------|------------------------|---------------------|-------------------------|
| 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

Lease Road:

| Type | Satisfactory/Action Required | comment | Corrective Action | Date |
|--------|------------------------------|-----------------------------|-------------------|------|
| Access | SATISFACTORY | DIRT ROADTHROUGH FARMGROUND | | |

Signs/Marker:

| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
|----------------------|------------------------------|------------------------------|-------------------|---------|
| BATTERY | SATISFACTORY | LEASE SIGN MOUNTED ON STAIRS | | |
| TANK LABELS/PLACARDS | SATISFACTORY | STICKER ANDSTENCIL ON TANK | | |

Emergency Contact Number (S/A/V): ACTION Corrective Date: 10/31/2014

Comment: **NO VISIBLE EMERGENCY CONTACT NUMBERS**

Corrective Action: **INSTALL EMERGENCY NUMBERS**

Good Housekeeping:

| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
|-------|------------------------------|-------------------|------------------------|------------|
| WEEDS | ACTION REQUIRED | WEEDS ON LOCATION | WEEDS NEED MAINTENANCE | 11/30/2014 |

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 |
|-----------|------------------------------|---|-------------------|---------|
| SEPARATOR | SATISFACTORY | HOG PANELS LAYING ON GROUND AROUND METER SHED | | |

Venting:

| Yes/No | Comment |
|--------|---------|
| NO | |

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

Predrill

Location ID: 212733

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: 212733 Type: WELL API Number: 061-06093 Status: PR Insp. Status: PR

Producing Well

Comment: **PRODUCING**

Environmental

Spills/Releases:

Type of Spill: _____ Description: _____ Estimated Spill Volume: _____

Inspector Name: Welsh, Brian

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: _____

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? _____ 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? _____

Production areas have been stabilized? Pass Segregated soils have been replaced? Pass

RESTORATION AND REVEGETATION

Cropland

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

Inspector Name: Welsh, Brian

Non-Cropland

Top soil replaced _____ Recontoured _____ 80% Revegetation _____

1003 f. Weeds Noxious weeds? _____ F _____

Comment: **UNUSED AREAS OF LOCATION ARE FARM GROUND. WEEDS NEED MAINTAINED**

Overall Interim Reclamation Pass

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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Compaction | Pass | Compaction | Pass | | | |

S/A/V: SATISFACTOR Corrective Date: _____

Y

Comment: _____

CA: _____

Pits: NO SURFACE INDICATION OF PIT

COGCC Comments

| Comment | User | Date |
|-----------------------------------|--------|------------|
| MAINTAIN WEEDS ON LOCATION | welshb | 09/18/2014 |

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.)