

**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:
09/17/2014Document Number:
673706406

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

| | | | | | |
|---------------------|-------------|--------|-----------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | 236882 | 317154 | Sherman, Susan | <input type="checkbox"/> | |

Operator Information:OGCC Operator Number: 82470Name of Operator: STELBAR OIL CORP INCAddress: 1625 N WATERFRONT PKWY #200City: WICHITA State: KS Zip: 67206-

- ☐ 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 |
|--------------------|----------------|--------------------------|-----------|
| Axelson, John | | john.axelson@state.co.us | COGCC EPS |
| Mendenhall, Roscoe | (316) 264-8378 | roscoe@stelbar.com | |

Compliance Summary:QtrQtr: SENE Sec: 15 Twp: 2S Range: 50W**Inspector Comment:****Related Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status | |
|-------------|------|--------|-------------|------------|-----------|----------------|-------------|-------------------------------------|
| 236882 | WELL | PR | 04/26/1979 | GW | 121-09382 | MCCREATH 'A' 1 | 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 Motors: _____ | 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 |
|------------|------------------------------|---|---------------------------------------|------------|
| BATTERY | SATISFACTORY | | | |
| CONTAINERS | SATISFACTORY | | | |
| WELLHEAD | ACTION REQUIRED | No emergency contact number (see attached photo). | Install sign to comply with rule 210. | 10/31/2014 |

Inspector Name: Sherman, Susan

| | | | | |
|----------------------|-----------------|---------------------|---------------------------------------|------------|
| TANK LABELS/PLACARDS | ACTION REQUIRED | See attached photo. | Install sign to comply with rule 210. | 10/31/2014 |
|----------------------|-----------------|---------------------|---------------------------------------|------------|

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

Corrective Date: 10/31/2014

Comment: Only 911 listed as emergency contact or no emergency contact number.

Corrective Action: Add operator emergency contact number to sign.

Good Housekeeping:

| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
|-------|------------------------------|---------|-------------------|------------|
| WEEDS | ACTION REQUIRED | | Control weeds. | 10/31/2014 |

Spills:

| Type | Area | Volume | Corrective action | CA Date |
|------|------|--------|-------------------|---------|
|------|------|--------|-------------------|---------|

☐ Multiple Spills and Releases?**Equipment:**

| Type | # | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
|---------------------|---|------------------------------|--|-------------------|---------|
| Ancillary equipment | 2 | SATISFACTORY | meter house with concrete pad, chemica container | | |

Facilities:☐ New Tank

Tank ID: _____

| Contents | # | Capacity | Type | SE GPS |
|---------------------|-----------------|----------|-------------|-----------------------|
| PRODUCED WATER | 1 | | PBV PLASTIC | 39.883630,-102.956780 |
| S/A/V: SATISFACTORY | Comment: in pit | | | |
| Corrective Action: | | | | Corrective Date: |

Paint

| | |
|-----------|--|
| Condition | |
|-----------|--|

Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|-------------------|----------|---------------------|---------------------|-----------------|
| | | | | |
| Corrective Action | | | | Corrective Date |
| Comment | | | | |

Venting:

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

Flaring:

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

Predrill

Location ID: 236882

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: 236882 Type: WELL API Number: 121-09382 Status: PR Insp. Status: PR

Producing Well

Comment: Jul 2014 last reported production data.

Environmental**Spills/Releases:**

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

Comment: _____

Corrective Action: _____ Date: _____

Reportable: _____ GPS: Lat _____ Long _____

Inspector Name: Sherman, Susan

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: _____

Comment: **crop**

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? In

Cuttings management: _____

1003e. Areas no longer needed for drilling or subsequent operations for have been re-vegetated to 80% of pre-existing? In

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 In

Non-Cropland

Top soil replaced _____

Recontoured _____

80% Revegetation _____

1003 f. Weeds Noxious weeds? _____ I _____

Inspector Name: Sherman, Susan

Comment: _____

Overall Interim Reclamation In Process

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 | MHSP | Pass | |
| Gravel | Pass | Gravel | Pass | | | |

S/A/V: SATISFACTOR Y _____ Corrective Date: _____

Comment: _____

CA: _____

Pits: ☐ NO SURFACE INDICATION OF PIT

Pit Type: Produced Water Lined: NO Pit ID: _____ Lat: 39.883630 Long: -102.956780

Lining:

Liner Type: _____ Liner Condition: _____

Comment: _____

Fencing:

Fencing Type: _____ Fencing Condition: _____

Comment: _____

Netting:

Netting Type: _____ Netting Condition: _____

Comment: _____

Anchor Trench Present: _____ Oil Accumulation: _____ 2+ feet Freeboard: _____

Pit (S/A/V): ACTION Comment: No pit permit. Pit sediment in field (see attached photo).

Corrective Action: Submit Form 15 to COGCC EPS. Date: 10/10/2014

Attached Documents

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

| Document Num | Description | URL |
|--------------|---|---|
| 673706680 | Stelbar McCreath A1 bat sign | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3445436 |
| 673706681 | Stelbar McCreath A1 wellhead | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3445437 |
| 673706682 | Stelbar McCreath A1 bat pit/tank | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3445438 |
| 673706683 | Stelbar McCreath A1 bat second pit | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3445439 |
| 673706684 | Stelbar McCreath A1 meter house sign | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3445441 |
| 673706685 | Stelbar McCreath A1 bat pit sediment in field | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3445442 |
| 673706686 | Stelbar McCreath A1 gas company location | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3445443 |
| 673706687 | Stelbar McCreath A1 bat pit tank | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3445444 |
| 673706688 | Stelbar McCreath A1 weeds on pit bank | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3445445 |

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.)