

Inspector Name: Hughes, Jim

**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:

10/15/2014

Document Number:

674900166

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	292015	320902	Hughes, Jim	<input type="checkbox"/>	

Operator Information:OGCC Operator Number: 69805Name of Operator: PETROX RESOURCES INCAddress: P O BOX 2600City: MEEKER State: CO Zip: 81641

- ☐ 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
Maclaren, Joe		joe.maclaren@state.co.us	
Clark, Mike	(970)878-5594	mike.petroxcbm@gmail.com	All Inspections
Labowskie, Steve		steve.labowskie@state.co.us	
Nystrom, Dusty	(505) 330-1328/ (719) 529-0682	nystrow@yahoo.com	Field Representative
Brown, Walt	(970) 385 1372	wabrown@fs.fed.us	
Fischer, Alex		alex.fischer@state.co.us	

Compliance Summary:QtrQtr: SWSE Sec: 9 Twp: 34N Range: 5W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
07/26/2011	200317028	PR	SI	SATISFACTORY			No
12/01/2010	200286472	ES	TA	SATISFACTORY			No
04/27/2009	200209584	ES	SI	ACTION REQUIRED			Yes

Inspector Comment:

On October 15, 2014 COGCC SW EPS Jim Hughes conducted an environmental field inspection, in cooperation with the USFS, of the Petrox Fossett Gulch Unit 9U #4. For the most recent field inspection report of this facility, please refer to document #200317028. This inspection was prompted by an observed produced water release. The lateral extent of this release was approximately 60' from the well head. A Petrox representative was notified of the release on 10/15/14.

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
292015	WELL	PR	08/01/2013	GW	007-06235	FOSSET GULCH UNIT 9U 4	EI	<input checked="" type="checkbox"/>

Equipment:**Location Inventory**

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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			
Main	SATISFACTORY			

Signs/Marker:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
WELLHEAD	SATISFACTORY			
TANK LABELS/PLACARDS	ACTION REQUIRED	Lube oil container without label or placard.	Install sign to comply with rule 210.	11/17/2014

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

Comment: _____

Corrective Action: _____

Good Housekeeping:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
UNUSED EQUIPMENT	ACTION REQUIRED	Tubing on N side of location.	Remove unused equipment.	11/17/2014

Spills:				
Type	Area	Volume	Corrective action	CA Date
Produced Water	WELLHEAD	<= 5 bbls	Stop leak from well head. Remove/remediate impacted soils. Submit a Form 19 Spill Report to COGCC SW EPS.	10/24/2014

☐ Multiple Spills and Releases?

Fencing/:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
PUMP JACK	SATISFACTORY			

Equipment:					
Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Pump Jack	1	SATISFACTORY			
Deadman # & Marked	4	SATISFACTORY			
Ancillary equipment	1	SATISFACTORY	Telemetry		
Vertical Heated Separator	1	SATISFACTORY			

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Bird Protectors	1	SATISFACTORY			
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Venting:	
Yes/No	Comment

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

Predrill

Location ID: 292015

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: 292015 Type: WELL API Number: 007-06235 Status: PR Insp. Status: EI

Environmental**Spills/Releases:**Type of Spill: WATER Description: Produced Water Estimated Spill Volume: _____Comment: A produced water leak was observed at the well head. The well head was wet and showed evidence of previous leakage. The enclosure around the well head was full of water with coal fines on the surface. The water had flowed approximately 60' south of the pumping unit. Submit a Form 19 spill report to COGCC SW EPS.Corrective Action: Stop leak from well head. Remove/remediate impacted soil. Date: 10/24/2014Reportable: NO GPS: Lat 37.201846 Long -107.393846

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: _____

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? _____

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Production areas have been stabilized? _____

Segregated soils have been replaced? _____

RESTORATION AND REVEGETATION

Cropland

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
Rip Rap	Pass					
Sediment Traps	Fail	Culverts	Fail	MHSP	Fail	Lube oil container without secondary containment.
Berms	Pass					
Waddles	Fail					Waddles on E and S side need attention.

S/A/V: **ACTION REQUIRED**

Corrective Date: **11/17/2014**

Comment: **Waddles along east, south, and northwest sides of the location are in disrepair and need attention. The sediment basin near the southeast corner of the location has reached capacity and is no longer functional. The culvert at the entrance to the location does not daylight on the west side of the access road.**

CA: **Maintain or replace storm water BMPs to minimize and prevent erosion. Install secondary containment for lube oil container.**

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
674900167	Produced water flowing S from well head	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3461014
674900168	Produced water leak at well head	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3461015
674900169	Erosion along south side of location	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3461016

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.)