

**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
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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:
	<u>292015</u>	<u>320902</u>	<u>Hughes, Jim</u>	<input type="checkbox"/>	

**Operator Information:**

OGCC Operator Number:	<u>69805</u>
Name of Operator:	<u>PETROX RESOURCES INC</u>
Address:	<u>P O BOX 2600</u>
City:	<u>MEEKER</u> State: <u>CO</u> Zip: <u>81641</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
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:	<u>SWSE</u>	Sec:	<u>9</u>	Twp:	<u>34N</u>	Range:	<u>5W</u>
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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	<b>ACTION REQUIRED</b>			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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Inspector Name: Hughes, Jim

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			

Bird Protectors	1	SATISFACTORY		
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<b>Venting:</b>	
Yes/No	Comment

<b>Flaring:</b>				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

**Predrill**

Location ID: 292015

**Site Preparation:**

Lease Road Adeq.: \_\_\_\_\_ Pads: \_\_\_\_\_ Soil Stockpile: \_\_\_\_\_

**S/AV:** \_\_\_\_\_

Corrective Action: \_\_\_\_\_ Date: \_\_\_\_\_ CDP Num.: \_\_\_\_\_

**Form 2A COAs:**

**S/AV:** \_\_\_\_\_ **Comment:** \_\_\_\_\_

**CA:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Wildlife BMPs:**

**S/AV:** \_\_\_\_\_ **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: 10/24/2014

Reportable: 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? \_\_\_\_\_

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	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3461014">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3461014</a>
674900168	Produced water leak at well head	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3461015">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3461015</a>
674900169	Erosion along south side of location	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3461016">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3461016</a>

## **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.)