

**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:

10/16/2014

Document Number:

673707039

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

| | | | | | |
|---------------------|---------------|---------------|-----------------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | <u>234647</u> | <u>317032</u> | <u>Sherman, Susan</u> | <input type="checkbox"/> | |

Operator Information:OGCC Operator Number: 31257Name of Operator: FRITZLER RESOURCES INCAddress: P O BOX 114City: FORT MORGAN State: CO Zip: 80701

- ☒ 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 |
|----------------|----------------|---------------------------|------------------|
| Fritzler, Gene | (970) 867-9388 | gfritzler@bresnan.net | |
| Ikenouye, Teri | | teri.ikenouye@state.co.us | COGCC Production |

Compliance Summary:

| | | | | | | | |
|------------|-----------|------------|-------------|-------------------------------|----------|----------------|-----------------|
| QtrQtr: | NWNE | Sec: | 15 | Twp: | 1N | Range: | 54W |
| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Action Required | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
| 02/07/2013 | 667500127 | | | ACTION REQUIRED | | | No |
| 08/18/2011 | 200324773 | ES | PR | ACTION REQUIRED | | | Yes |
| 12/22/2010 | 200290315 | ES | PR | ACTION REQUIRED | | | Yes |
| 09/28/2010 | 200273565 | ES | PR | ACTION REQUIRED | | | Yes |
| 01/24/2008 | 200125580 | PR | PR | SATISFACTORY | | | No |
| 05/16/2005 | 200071399 | ES | PR | ACTION REQUIRED | | Fail | Yes |
| 05/21/2003 | 200039440 | PR | PR | SATISFACTORY | | Pass | No |
| 10/18/1995 | 500158780 | PR | PR | | | Pass | No |

Inspector Comment:**Related Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|--------------|--------|-------------|------------|-----------|-----------------------|-------------|
| 101055 | PIT | CL | 06/14/2012 | | - | GEBAUER 1 | CL |
| 101056 | PIT | CL | 06/14/2012 | | - | GEBAUER 1 | CL |
| 117536 | PIT | CL | 06/14/2013 | | - | GEBAUER 1 | CL |
| 234647 | WELL | PR | 05/14/1956 | OW | 121-06776 | GEBAUER 1 | PR |
| 431878 | TANK BATTERY | AC | 04/14/2009 | | - | GEBAUER-61N54W 15NWNE | PR |

Equipment:Location Inventory

Inspector Name: Sherman, Susan

| | | | |
|------------------------------|------------------------|---------------------|-------------------------|
| 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 | ACTION REQUIRED | Erosion on road (see attached photo). | Install stormwater BMPs to prevent site degradation. | 11/03/2014 |

Signs/Marker:

| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
|----------------------|------------------------------|--------------------------------------|---------------------------------------|------------|
| BATTERY | SATISFACTORY | | | |
| TANK LABELS/PLACARDS | SATISFACTORY | | | |
| CONTAINERS | ACTION REQUIRED | propane tank at treater has no label | Install sign to comply with rule 210. | 11/03/2014 |

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

Corrective Date: _____

Comment: _____

Corrective Action: _____

Good Housekeeping:

| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
|-------|------------------------------|---------------------|-------------------|---------|
| WEEDS | SATISFACTORY | mowed, some thistle | | |

Spills:

| Type | Area | Volume | Corrective action | CA Date |
|-----------|-----------|-----------|---|------------|
| Crude Oil | WELLHEAD | <= 5 bbls | Remove or remediate stained soil at wellhead (see attached photo). Fix leak. | 11/03/2014 |
| Crude Oil | Treater | <= 5 bbls | Remove or remediate stained soil inside treater shed (see attached photos). Fix leak. | 11/03/2014 |
| Lube Oil | Pump Jack | <= 5 bbls | Clean oil from pump jack. Remove or remediate stained soil (see attached photo). | 11/17/2014 |
| Crude Oil | Tank | <= 5 bbls | Inside berms, at valve and pipe connection (see attached photo). Remove or remediate stained soil at tank location. | 10/27/2014 |

☐ Multiple Spills and Releases?

Fencing/:

| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
|--------------|------------------------------|-------------|-------------------|---------|
| SEPARATOR | SATISFACTORY | barbed wire | | |
| WELLHEAD | SATISFACTORY | barbed wire | | |
| TANK BATTERY | SATISFACTORY | barbed wire | | |

| Equipment: | | | | | |
|-------------------------|---|------------------------------|---|-----------------------------|------------|
| Type | # | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| Veritcal Heater Treater | 1 | SATISFACTORY | berms 40.05848, - 103.40217 | | |
| Bird Protectors | 1 | SATISFACTORY | on treater stack | | |
| Pump Jack | 1 | ACTION REQUIRED | leak | See Spills section for CAs. | 11/17/2014 |
| Ancillary equipment | 4 | SATISFACTORY | electric panel, REA pole, chemical container at wellhead, cathodic protection | | |

Facilities: ☐ New Tank Tank ID: _____

| | | | | |
|----------------|---|----------|----------------|--------|
| Contents | # | Capacity | Type | SE GPS |
| PRODUCED WATER | 1 | OTHER | FIBERGLASS AST | , |

S/A/V: ACTION REQUIRED Comment: same berms as all PW tanks

Corrective Action: Install bird protector on tank. Corrective Date: 11/03/2014

Paint

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

Other (Content) _____

Other (Capacity) 110 BBL

Other (Type) _____

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|------|----------|---------------------|---------------------|-------------|
| | | | | |

| | | | |
|-------------------|--|-----------------|--|
| Corrective Action | | Corrective Date | |
| Comment | | | |

Facilities: ☐ New Tank Tank ID: _____

| | | | | |
|----------------|---|----------|----------------|--------|
| Contents | # | Capacity | Type | SE GPS |
| PRODUCED WATER | 1 | 300 BBLS | PBV FIBERGLASS | , |

S/A/V: SATISFACTORY Comment: same berms at all PW tanks

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 | | | |

| | | | | |
|--------------------|--------------|-----------------------------------|-------------------------------------|--------|
| Facilities: | | <input type="checkbox"/> New Tank | Tank ID: _____ | |
| Contents | # | Capacity | Type | SE GPS |
| PRODUCED WATER | 1 | 400 BBLS | PBV FIBERGLASS | , |
| S/A/V: | SATISFACTORY | | Comment: same berms as all PW tanks | |
| 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 | | | | |

| | | | | |
|--------------------|--------------|-----------------------------------|------------------|-----------------------|
| Facilities: | | <input type="checkbox"/> New Tank | Tank ID: _____ | |
| Contents | # | Capacity | Type | SE GPS |
| CRUDE OIL | 2 | OTHER | STEEL AST | 40.058420,-103.401790 |
| S/A/V: | SATISFACTORY | | Comment: | |
| Corrective Action: | | | Corrective Date: | |

Paint

Condition

Adequate

Other (Content)

Other (Capacity) east tank 200 BBL, west tank 250 BBL

Other (Type)

Berms

| | | | | |
|-------------------|----------|---------------------|---------------------|-----------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Earth | Adequate | Walls Sufficient | Base Sufficient | Adequate |
| Corrective Action | | | | Corrective Date |
| Comment | | | | |

Inspector Name: Sherman, Susan

| | | | | | |
|--------------------------------------|------------------------------------|-----------------------------------|---------------------|-----------------------|----------------------------|
| Facilities: | | <input type="checkbox"/> New Tank | Tank ID: _____ | | |
| Contents | # | Capacity | Type | SE GPS | |
| PRODUCED WATER | 2 | OTHER | PBV FIBERGLASS | 40.058200,-103.402340 | |
| S/A/V: | SATISFACTORY | | Comment: | | |
| Corrective Action: | | | | Corrective Date: | |
| Paint | | | | | |
| Condition | | | | | |
| Other (Content) _____ | | | | | |
| Other (Capacity) 160 bbls eacg _____ | | | | | |
| Other (Type) _____ | | | | | |
| Berms | | | | | |
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance | |
| Earth | Adequate | Walls Sufficient | Base Sufficient | Inadequate | |
| Corrective Action | Maintain berms on east side. | | | | Corrective Date 11/03/2014 |
| Comment | animal holes on east side of berms | | | | |
| Venting: | | | | | |
| Yes/No | | Comment | | | |
| YES | | | | | |
| Flaring: | | | | | |
| Type | Satisfactory/Action Required | | Comment | Corrective Action | CA Date |
| | | | | | |

Predrill

Location ID: 234647

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: 234647 Type: WELL API Number: 121-06776 Status: PR Insp. Status: PR

Producing Well

Comment: Dec 2013 last reported production data in database. Update production data.

Environmental**Spills/Releases:**

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

Comment: _____

Corrective Action: _____ Date: _____

Inspector Name: Sherman, Susan

Reportable: _____ GPS: Lat _____ Long _____
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: pasture

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? Pass 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? Pass

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

RESTORATION AND REVEGETATION

Cropland

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

Non-Cropland

Top soil replaced Pass Recontoured Pass 80% Revegetation Pass

Inspector Name: Sherman, Susan

1003 f. Weeds Noxious weeds? ☐ I ☐

Comment: drainage ~60' NW of location

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

S/A/V: ACTION REQUIRED Corrective Date: 11/03/2014

Comment: Chemical container at wellhead labeled but not in secondary containment.

CA: See lease road section for CAs.
Install stormwater BMP for chemical container.

Pits: ☐ NO SURFACE INDICATION OF PIT

COGCC Comments

| Comment | User | Date |
|---|----------|------------|
| All corrective actions from 2/7/2013 inspection completed. | ShermaSe | 10/19/2014 |

Attached Documents

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

| Document Num | Description | URL |
|--------------|--|---|
| 673707143 | Fritzler Gebauer 1 Bat sign | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3461370 |
| 673707144 | Fritzler Gebauer 1 access road erosion | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3461371 |
| 673707145 | Fritzler Gebauer 1 Bat tank valve leak | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3461372 |

| | | |
|-----------|--|---|
| 673707146 | Fritzler Gebauer 1 Bat pipe leak | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3461373 |
| 673707147 | Fritzler Gebauer 1 Bat tank leak | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3461374 |
| 673707148 | Fritzler Gebauer 1 Bat propane tank no label | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3461375 |
| 673707149 | Fritzler Gebauer 1 Bat treater | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3461376 |
| 673707150 | Fritzler Gebauer 1 Bat treater inside shed | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3461377 |
| 673707151 | Fritzler Gebauer 1 Bat treater leak on outside | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3461378 |
| 673707152 | Fritzler Gebauer 1 wellhead | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3461379 |
| 673707153 | Fritzler Gebauer 1 well pump jack leak | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3461380 |
| 673707154 | Fritzler Gebauer 1 well pump jack stained soil | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3461381 |
| 673707155 | Fritzler Gebauer 1 access road erosion at gate | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3461382 |
| 673707156 | Fritzler Gebauer 1 access road east of gate | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3461383 |
| 673707157 | Fritzler Gebauer 1 Bat tank labeled | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3461384 |
| 673707158 | Fritzler Gebauer 1 Bat 3 east FG tanks | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3461385 |
| 673707159 | Fritzler Gebauer 1 Bat 2 west FG tanks | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3461386 |

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.)