

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:
11/05/2014

Document Number:
673707739

Overall Inspection:

ACTION REQUIRED

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>204807</u>	<u>320754</u>	<u>Sherman, Susan</u>	<input type="checkbox"/>	

Operator Information:

OGCC Operator Number:	<u>19035</u>
Name of Operator:	<u>OVERLAND RESOURCES LLC</u>
Address:	<u>SUITE C18 PMB 440</u>
City:	<u>GREENWOOD</u> State: <u>CO</u> Zip: <u>80121</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
Anderson, Robert	(303) 800-6175	admin@overlandresourcesllc.com	

Compliance Summary:

QtrQtr: NESW Sec: 16 Twp: 5S Range: 62W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
11/22/2011	664000160	PR	PR	ACTION REQUIRED	P		No
08/27/2009	200226196	PR	PR	ACTION REQUIRED			Yes
10/12/2007	200127279	PR	PR	ACTION REQUIRED			Yes
07/10/2002	200028731	PR	PR	ACTION REQUIRED		Fail	Yes
02/09/1995	500134775	PR	PR				

Inspector Comment:

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
110598	PIT		09/23/1999		-	STATE 16-13	<input type="checkbox"/>
204807	WELL	PR	07/29/2009	OW	005-06892	STATE-CRAIG 4-16	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 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

Signs/Marker:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
BATTERY	SATISFACTORY			
WELLHEAD	SATISFACTORY			
TANK LABELS/PLACARDS	ACTION REQUIRED	Produced water tank not labeled.	Install sign to comply with rule 210.	12/12/2014
CONTAINERS	ACTION REQUIRED	Container in well shed not label or contained.	Install sign to comply with rule 210.	12/12/2014

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

Comment: _____

Corrective Action: _____

Spills:				
Type	Area	Volume	Corrective action	CA Date
Lube Oil	Pump Jack	<= 5 bbls	Remove or remediate stained soil at prime mover.	12/12/2014

Multiple Spills and Releases?

Fencing/:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
LOCATION	SATISFACTORY	barbed wire on pasture side		
PUMP JACK	SATISFACTORY	steel panels		

Equipment:					
Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Ancillary equipment	4	SATISFACTORY	two gas scrubbers, chemical containers		
Bird Protectors	1	SATISFACTORY	on VHT		
Prime Mover	1	ACTION REQUIRED	gas	See Spill section for CA.	12/12/2014
Vertical Heater Treater	1	ACTION REQUIRED	39.60956, -104.32375, 40 BBLs, needs paint	Paint required color.	12/12/2014
Vertical Separator	1	ACTION REQUIRED	same berms as VHT, 5 BBLs, valve leak	Fix leak at separator valve.	12/12/2014
Gas Meter Run	1	ACTION REQUIRED	Cover off (see attached photo).39.60963, -104.32375	Replace cover.	12/12/2014

Facilities: New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	1	300 BBLs	FIBERGLASS AST	39.609430,-104.323920

S/A/V: **ACTION REQUIRED** Comment: **hatch leaking**

Corrective Action: **See Signs section for CA.** Corrective Date: **12/12/2014**

Paint

Condition: _____

Inspector Name: Sherman, Susan

Other (Content) _____
 Other (Capacity) _____
 Other (Type) _____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate	Walls Sufficient	Base Sufficient	Adequate

Corrective Action _____ Corrective Date _____
 Comment _____

Facilities: New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
CRUDE OIL	2	300 BBLS	STEEL AST	39.609290,-104.323800

S/A/V: SATISFACTORY Comment: _____

Corrective Action: _____ Corrective Date: _____

Paint

Condition	Adequate
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Other (Content) _____
 Other (Capacity) _____
 Other (Type) _____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Inadequate	Walls Sufficient	Base Sufficient	Inadequate

Corrective Action **Maintain east berms.** Corrective Date **12/12/2014**

Comment **east berms low**

Venting:

Yes/No	Comment

Flaring:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Predrill

Location ID: 204807

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: 204807 Type: WELL API Number: 005-06892 Status: PR Insp. Status: PR

Producing Well

Comment: May 2014 last reported production data.

309. COGCC Form 7. OPERATOR'S MONTHLY REPORT OF OPERATIONS
a. Operators shall report all existing oil and gas wells that are not plugged and abandoned on the Operator's Monthly Report of Operations, Form 7, within 45 days after the end of each month. A well must be reported every month from the month that it is spud until it has been reported for one month as abandoned. Each formation that is completed in a well shall be reported every month from the time that it is completed until it has been abandoned and reported for one month as abandoned. All information required by the form shall be reported, including all fluids produced during the initial testing and completion of the well.

Environmental

Spills/Releases:

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

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? _____ 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

Inspector Name: Sherman, Susan

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
Gravel	Pass			SR	Pass	
Compaction	Pass	Compaction	Pass	MHSP	Fail	

S/A/V: **ACTION REQUIRED** Corrective Date: **12/12/2014**

Comment: **Chemical container in well shed has no secondary containment.**

CA: **Install stormwater BMP at chemical container to prevent site degradation.**

Pits: NO SURFACE INDICATION OF PIT

COGCC Comments

Comment	User	Date
Submit Form 4 to update 2A equipment inventory.	ShermaSe	11/10/2014

Attached Documents

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

Document Num	Description	URL
673707877	Overland State Craig 4-16 well sign	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3479721
673707878	Overland State Craig 4-16 wellhead	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3479722
673707879	Overland State Craig 4-16 well chemical container	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3479723
673707880	Overland State Craig 4-16 well shed chemical container	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3479724
673707882	Overland State Craig 4-16 bat sign/tanks	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3479725
673707883	Overland State Craig 4-16 bat tank berms	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3479726
673707884	Overland State Craig 4-16 bat PW tank	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3479727
673707886	Overland State Craig 4-16 bat treater	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3479728
673707887	Overland State Craig 4-16 bat GMR	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3479729

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.)