

**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:  
11/07/2014

Document Number:  
673707793

Overall Inspection:

**ACTION REQUIRED**

**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>204781</u>	<u>320748</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: SESW 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)
09/21/2012	663400882	PR	SI	ACTION REQUIRED	P		No
01/09/2010	200236275	PR	PR	ACTION REQUIRED			Yes
10/12/2007	200127283	PR	PR	ACTION REQUIRED			Yes
06/14/2006	200095495	PR	PR	SATISFACTORY		Fail	No
03/22/1996	500134766	PR	PR			Fail	Yes

**Inspector Comment:**

**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
110603	PIT	CL	09/23/1999		-	STATE CRAIG 2-16	CL
204781	WELL	PR	02/25/1984	OW	005-06866	STATE-CRAIG 2-16	PR

**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**

Inspector Name: Sherman, Susan

<b>Signs/Marker:</b>				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
CONTAINERS	SATISFACTORY			
WELLHEAD	SATISFACTORY			

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

Comment: \_\_\_\_\_

Corrective Action: \_\_\_\_\_

<b>Spills:</b>				
Type	Area	Volume	Corrective action	CA Date
<input type="checkbox"/> Multiple Spills and Releases?				

<b>Equipment:</b>					
Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Deadman # & Marked	4	SATISFACTORY			
Ancillary equipment	4	SATISFACTORY	gas scrubber in well shed, chemical containers		
Pump Jack	1	<b>ACTION REQUIRED</b>	leak (see attached photo)	Fix leak on pump jack.	12/12/2014

**Facilities:**  New Tank Tank ID: \_\_\_\_\_

Contents	#	Capacity	Type	SE GPS
			CENTRALIZED BATTERY	39.609290,-104.323800

S/A/V: \_\_\_\_\_ Comment: \_\_\_\_\_

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: \_\_\_\_\_

<b>Venting:</b>	
Yes/No	Comment

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

**Predrill**

Location ID: 204781

**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: 204781 Type: WELL API Number: 005-06866 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: crop

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
Compaction	Pass			MHSP	Fail	
Gravel	Pass					

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

Comment: **Black drum at well head and red drum in well shed require secondary containment (see attached photo).**

CA: **Install stormwater BMP 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
673707889	Overland State Craig 2 16 well sign	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3479730">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3479730</a>
673707890	Overland State Craig 2 16 wellhead	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3479731">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3479731</a>
673707891	Overland State Craig 2 16 well chemical container	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3479732">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3479732</a>
673707892	Overland State Craig 2 16 well pump jack leak	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3479733">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3479733</a>
673707893	Overland State Craig 2 16 well shed	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3479734">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3479734</a>
673707894	Overland State Craig 2 16 well black drum	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3479735">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3479735</a>
673707895	Overland State Craig 2 16 well red drum	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3479736">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3479736</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.)