

**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

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Inspection Date:
11/07/2014Document Number:
673707794

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	204791	320751	Sherman, Susan	<input type="checkbox"/>	

Operator Information:OGCC Operator Number: 19035Name of Operator: OVERLAND RESOURCES LLCAddress: SUITE C18 PMB 440City: GREENWOOD State: CO Zip: 80121

- ☐ 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: SWSE 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	663400881	PR	PR	ACTION REQUIRED	P		No
10/14/2008	200200777	PR	PR	ACTION REQUIRED			Yes
10/12/2007	200127281	PR	PR	ACTION REQUIRED			Yes
06/14/2006	200095494	PR	SI	ACTION REQUIRED		Fail	No
03/22/1996	500134757	PR	PR			Pass	No

Inspector Comment:**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
204791	WELL	PR	05/06/2014	GW	005-06876	STATE-CRAIG 3-16	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

Inspector Name: Sherman, Susan

Lease Road:				
Type	Satisfactory/Action Required	comment	Corrective Action	Date
Access	ACTION REQUIRED	Rutted in horse pasture.	Maintain access road.	12/12/2014

Signs/Marker:				
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: _____

Good Housekeeping:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
UNUSED EQUIPMENT	ACTION REQUIRED	Guards for pumping unit on ground (see attached photo) IAW 9/21/12 inspection.	Remove or reinstall unused equipment.	12/12/2014

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

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

Equipment:					
Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Flow Line	1	SATISFACTORY			
Ancillary equipment	2	SATISFACTORY	chemical containers		
Deadman # & Marked	4	SATISFACTORY			
Pump Jack	1	SATISFACTORY			

Facilities: ☐ New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
			CENTRALIZED BATTERY	39.614500,-104.323650

S/A/V: _____ Comment: _____

Corrective Action: _____ Corrective Date: _____

Paint

Condition	
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Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Inspector Name: Sherman, Susan

Berms					
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Corrective Action				Corrective Date	
Comment					

Venting:		
Yes/No	Comment	

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

Predrill

Location ID: 204791

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: 204791 Type: WELL API Number: 005-06876 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
Gravel	Pass	Culverts	Pass			
Compaction	Pass	Compaction	Fail	MHSP	Fail	

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

Comment: **Container in well shed required secondary containment (see attached photo). See Lease Road section for road CA.**

CA: **Install stormwater BMP for container in shed.**

Pits: ☒ NO SURFACE INDICATION OF PIT

COGCC Comments

Comment	User	Date
Stained soils from 9/21/12 inspection removed or remediated.	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
673707872	Overland State Craig 3 16 well sign	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3479737
673707873	Overland State Craig 3 16 well unused equipment	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3479738
673707874	Overland State Craig 3 16 wellhead	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3479739
673707875	Overland State Craig 3 16 well pump jack	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3479740
673707876	Overland State Craig 3 16 well shed container	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3479741

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.)