

**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:  
12/02/2014

Document Number:  
673401489

Overall Inspection:

**ACTION REQUIRED**

**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>423735</u>	<u>423735</u>	<u>Waldron, Emily</u>	<input type="checkbox"/>	

**Operator Information:**

OGCC Operator Number: 10524  
 Name of Operator: GRMR OIL & GAS LLC  
 Address: 370 INTERLOCKEN BLVD SUITE 550  
 City: BROOMFIELD State: CO Zip: 80021

- 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
Kellerby, Shaun		shaun.kellerby@state.co.us	
Griffis, Mike	720-235-5071	mike.griffis@grmroilandgas.com	All GRMR inspections

**Compliance Summary:**

QtrQtr: SENW Sec: 29 Twp: 5N Range: 90W

**Inspector Comment:**

**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
423734	WELL	PR	03/24/2014	OW	081-07658	HARPER HILL 1-29	PR	<input checked="" type="checkbox"/>
423736	WELL	PR	10/30/2012	OW	081-07659	HARPER HILL 2-29	PR	<input checked="" type="checkbox"/>

**Equipment:**

Location Inventory

Special Purpose Pits: <u>        </u>	Drilling Pits: <u>1</u>	Wells: <u>2</u>	Production Pits: <u>        </u>
Condensate Tanks: <u>1</u>	Water Tanks: <u>3</u>	Separators: <u>2</u>	Electric Motors: <u>        </u>
Gas or Diesel Mortors: <u>1</u>	Cavity Pumps: <u>2</u>	LACT Unit: <u>        </u>	Pump Jacks: <u>2</u>
Electric Generators: <u>3</u>	Gas Pipeline: <u>        </u>	Oil Pipeline: <u>        </u>	Water Pipeline: <u>        </u>
Gas Compressors: <u>2</u>	VOC Combustor: <u>        </u>	Oil Tanks: <u>3</u>	Dehydrator Units: <u>        </u>
Multi-Well Pits: <u>        </u>	Pigging Station: <u>        </u>	Flare: <u>1</u>	Fuel Tanks: <u>2</u>

**Location**

**Signs/Marker:**

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
TANK LABELS/PLACARDS	<b>ACTION REQUIRED</b>	Labels still have previous operator and contact information.	Install sign to comply with rule 210.	<b>01/02/2015</b>

Inspector Name: Waldron, Emily

WELLHEAD	SATISFACTORY		
BATTERY	ACTION REQUIRED	At entrance. Sign still has contact information for previous operator.	Install sign to comply with rule 210.
			01/02/2015

Emergency Contact Number (S/A/V):         ACTION         Corrective Date:         01/02/2015        

Comment: Emergency contact information on location is for previous operator.

Corrective Action: Install current operator emergency contact information.

**Good Housekeeping:**

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
STORAGE OF SUPL	ACTION REQUIRED	Frack tank stored on location without adequate containment.	If tank is in use it needs adequate secondary containment, if it is not in use for production of this lease it needs to be removed from location.	01/02/2015

**Spills:**

Type	Area	Volume	Corrective action	CA Date
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Multiple Spills and Releases?

**Equipment:**

Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Bird Protectors		SATISFACTORY			
Gas Meter Run	1	SATISFACTORY			
Deadman # & Marked	8	SATISFACTORY			
Horizontal Heated Separator	2	SATISFACTORY			
Other	2	SATISFACTORY	Linear rod pump		
Emission Control Device	2	SATISFACTORY			

**Facilities:**

New Tank Tank ID:                         

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	1	400 BBLs	HEATED STEEL AST	,
S/A/V:	SATISFACTORY		Comment:	
Corrective Action:				Corrective Date:

**Paint**

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

**Berms**

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal	Adequate	Walls Sufficient	Base Sufficient	Adequate
Corrective Action				Corrective Date

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

Contents	#	Capacity	Type	SE GPS
CRUDE OIL	3	400 BBLS	HEATED STEEL AST	40.359850,-107.523570

S/AV: 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
Metal	Adequate	Walls Sufficient	Base Sufficient	Adequate

Corrective Action \_\_\_\_\_      Corrective Date \_\_\_\_\_

Comment \_\_\_\_\_

**Venting:**

Yes/No	Comment

**Flaring:**

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

**Predrill**

Location ID: 423735

**Site Preparation:**

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

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

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

**Form 2A COAs:**

Group	User	Comment	Date
OGLA	kubeczkod	<p>GENERAL SITE COAs:</p> <p>Operator must implement best management practices to contain any unintentional release of fluids, including any fluids conveyed via temporary surface pipelines or buried permanent pipelines.</p> <p>Operator must ensure 110 percent secondary containment for any volume of fluids contained at well site during drilling and completion operations; including, but not limited to, construction of a berm or diversion dike, diversion/collection trenches within and/or outside of berms/dikes, site grading, or other comparable measures (i.e., best management practices (BMPs) associated with stormwater management) sufficiently protective of nearby surface water. Any berm constructed at the well pad location will be stabilized, inspected at regular intervals, and maintained in good condition.</p> <p>Based on information from the operator, fracing of these horizontal wells is not planned. However, if during the completion process, the operator decides that portions of the production zone will require fracing and stimulation; all flowback and stimulation fluids must be sent to tanks to allow the sand to settle out before the fluids can be placed into any pipeline or pit located on the well pad. The flowback and stimulation fluid tanks must be placed on the well pad in an area with additional downgradient perimeter berming. The area where flowback fluids will be stored/reused must be constructed to be sufficiently impervious to contain any spilled or released material.</p> <p>The surface soils and materials are fine-grained and highly unconsolidated; therefore the pad shall be constructed as quickly as possible and appropriate BMPs need to be in place both during, after well pad construction completion, as well as during all drilling and well completion operations. Standard stormwater BMPs must be implemented at this location to insure compliance with CDPHE and COGCC requirements and to prevent any stormwater run-on and /or stormwater runoff.</p> <p>Berms or other containment devices shall be constructed to be sufficiently impervious to contain any spilled or released material around crude oil, condensate, and produced water storage tanks.</p>	05/11/2011
OGLA	kubeczkod	<p>CONSTRUCTION/DRILLING COA:</p> <p>The drilling pit must be lined, or a closed loop system (which operator has indicated on the Form 2A) must be implemented during drilling.</p>	05/11/2011

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

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

**Wildlife BMPs:**

BMP Type	Comment
PROPOSED BMPs	<p>Best Management Practices Summary APR 18 2011</p> <p>Harper Hill 1 -29 &amp; 2 -29</p> <p>Stormwater Management Plans (SWMP) are in place to comply with both Colorado Department of Public Health and Environment (CDPHE) and Colorado Oil and Gas Control Commission (COGCC) stormwater discharge permits. The construction layout for Harper Hill 1 -29 &amp; 2 -29 details Best Management Practices (BMP) to be installed during initial construction. Note that BMPs may be removed, altered, or replaced with changing conditions in the field and the SWMP will be updated accordingly.</p> <p>The BMPs prescribed for the initial construction phase include, but are not limited to</p>

- Construction diversion ditch
- Sediment reservoirs
- Check dams
- Level spreaders
- Stabilized construction entrance
- Slash
- Sediment trap
- Wattle
- Terrace
- Secondary containment berms
- Detention ponds

Spill Prevention Plans (SPCC) are in place to address material releases and to prescribe materials handling BMPs for the facility. "Good house - keeping" measures will be taken to ensure proper waste disposal.

Please refer to the attached email from the Colorado Department of Wildlife for Wildlife BMPs.

From: Winters, Edward rmai Ito: Edward.Winters(ostate.co.us)

Sent: Thursday, April 14, 2011 1:43 PM

To: Aleta A. Brown

Cc: Michael. BerostromCalshell.com

Subject: RE: Shell - Harper Hill and Greasewood O &G Locations for Your Review

For Harper Hill:

- Where oil and gas activities must occur in mule deer critical winter range or elk winter concentration areas, conduct these activities outside the time period from December 1 through April 15
- Restrict post - development well site visitations to between the hours of 10:00 a.m. and 3:00 p.m. and reduce well site visitations between December 1 and April 15 in mule deer and elk winter range.
- Establish company guidelines to minimize wildlife mortality from vehicle collisions on roads.
- Prior to development, establish baseline vegetation condition and inventory and to provide a basis for post - development habitat restoration.

- Gate single - purpose roads and restrict general public access to reduce traffic disruptions to wildlife.
- Close and immediately reclaim all roads that are redundant, not used regularly, or have been abandoned to the maximum extent possible to minimize disturbance and habitat fragmentation.
- Avoid aggressive non - native grasses and shrubs in mule deer and elk habitat restoration.
- Reclaim mule deer and elk habitats with native shrubs, grasses, and forbs appropriate to the ecological site disturbed.
- Restore appropriate sagebrush species or subspecies on disturbed sagebrush sites. Use locally collected seed for reseeding where possible.

This will address the BMP's that will satisfy CDOW for the Harper Hill location.

Thank you,  
F.d Winters

Land Use Specialist  
Northwest Region  
PO Box 1181  
Meeker, Colorado 81641  
(970) 878.6069  
edward.winters@state.com

Material Handling and Spill Prevention	Spill Prevention Plans (SPCC) are in place to address material releases and to prescribe materials handling BMPs for the facility.
Construction	The construction layout for Herring Draw #1-9 details Best Management Practices (BMP) to be installed during initial construction.
Construction	<ul style="list-style-type: none"> <li>• Construction diversion ditch</li> <li>• Sediment reservoirs</li> <li>• Check dams</li> <li>• Level spreaders</li> <li>• Stabilized construction entrance</li> <li>• Slash</li> <li>• Sediment trap</li> <li>• Wattle</li> <li>• Terrace</li> <li>• Secondary containment berms</li> <li>• Detention ponds</li> </ul>
Storm Water/Erosion Control	Stormwater Management Plans (SWMP) are in place to comply with both Colorado Department of Public Health and Environment (CDPHE) and Colorado Oil and Gas Control Commission (COGCC) stormwater discharge permits.

<b>PROPOSED BMPs</b>	<p>Bird State 32 -8</p> <p>SE NE Section 32, TSS, R64W</p> <p>Arapahoe County, Colorado</p> <p>Stormwater Management &amp; Proposed BMP's</p> <p>Renegade Oil &amp; Gas Company, LLC (Renegade) has in place Stormwater Management Plans for both construction and post - construction activities that ensure compliance with both the Colorado Department of Public Health and Environment (CDPHE) and Colorado Oil &amp; Gas Conservation Commission (COGCC) requirements.</p> <p>The plans provide for various sediment control BMP's that are applied on a site specific basis. These BMP's include fiber rolls, silt fences, straw bales, berms, dams, ditches, culverts, mulching, revegetation, etc. Not all BMP's will be used at each</p> <p>construction site. Renegade, and its consultants, attempt to use BMP's that minimize surface disturbance and adverse environmental impacts.</p> <p>The site for the Bird State 32 -8 is sloping pastureland and will require some moderate cut and fill. Renegade will construct a drill site by moving and segregating the topsoil to the exterior of the drill site. We will then level and berm the entire site, thus providing containment for the entire site, and facilitating interim reclamation by recountouring and then returning the topsoil to the drill site.</p>
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<b>General Housekeeping</b>	"Good house-keeping" measures will be taken to ensure proper waste disposal.
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**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: \_\_\_\_\_

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: 423734 Type: WELL API Number: 081-07658 Status: PR Insp. Status: PR

**Producing Well**

Comment:

Facility ID: 423736 Type: WELL API Number: 081-07659 Status: PR Insp. Status: PR

**Producing Well**

Comment: Pumping.

**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: RANGELAND

Comment: No interim reclamation apparent.

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: RANGELAND

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					
		Rip Rap	Pass			
		Gravel	Pass			
Berms	Pass					

Inspector Name: Waldron, Emily

Compaction	Pass				
		Compaction	Pass		

S/A/V: SATISFACTOR  
Y \_\_\_\_\_ Corrective Date: \_\_\_\_\_

Comment: No apparent soil migration; erosion or soil movement.

CA: \_\_\_\_\_

**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
673401493	Incorrect operator on battery sign	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3497503">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3497503</a>
673401494	Incorrect operator on tank labels	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3497504">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3497504</a>
673401495	No interim reclamation apparent	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3497505">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3497505</a>
673401496	Tank stored on location	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3497506">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3497506</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.)