

**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:

12/15/2014

Document Number:

671103189

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	429585	429584	MONTOYA, JOHN	<input type="checkbox"/>	

Operator Information:OGCC Operator Number: 10439Name of Operator: CARRIZO NIOBRARA LLCAddress: 500 DALLAS STREET #2300City: HOUSTON State: TX Zip: 77002

- ☒ 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
Schneider, Jeff	970-867-9437/ (214) 244-3819	jeff@schneiderenergy.com	
Lowery, Sheldon	713-358-6492	Sheldon.Lowery@crzo.net	

Compliance Summary:

QtrQtr: <u>NWNW</u>		Sec: <u>28</u>	Twp: <u>3S</u>	Range: <u>64W</u>			
Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
02/19/2013	663902094	DG	WK	SATISFACTORY			No

Inspector Comment:

WHEN ARE YOU GOING TO RUN GAS SALES LINE TO SEPERATORS TO SELL THE GAS INSTEAD OF VENTING THE GAS i NEED TO KNOW WHEN YOU ARE GOING TO DO THIS SO I CAN WITNESS IT

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
429583	WELL	XX	10/04/2012	LO	001-09752	WEP 2-28-11-3-64	XX	<input type="checkbox"/>
429585	WELL	PR	03/01/2013	OW	001-09753	WEP 4-28-11-3-64	SI	<input checked="" type="checkbox"/>
429586	WELL	PR	07/31/2014	OW	001-09754	WEP 1-28-11-3-64	SI	<input checked="" type="checkbox"/>

Equipment:Location Inventory

Special Purpose Pits: <u> </u>	Drilling Pits: <u>1</u>	Wells: <u>4</u>	Production Pits: <u> </u>
Condensate Tanks: <u> </u>	Water Tanks: <u>1</u>	Separators: <u>2</u>	Electric Motors: <u>1</u>
Gas or Diesel Mortors: <u> </u>	Cavity Pumps: <u> </u>	LACT Unit: <u> </u>	Pump Jacks: <u> </u>
Electric Generators: <u>4</u>	Gas Pipeline: <u>1</u>	Oil Pipeline: <u> </u>	Water Pipeline: <u> </u>
Gas Compressors: <u> </u>	VOC Combustor: <u> </u>	Oil Tanks: <u>8</u>	Dehydrator Units: <u> </u>
Multi-Well Pits: <u> </u>	Pigging Station: <u> </u>	Flare: <u>1</u>	Fuel Tanks: <u> </u>

Location

Inspector Name: MONTOYA, JOHN

Signs/Marker:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
WELLHEAD	SATISFACTORY			

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

Corrective Date: _____

Comment: _____

Corrective Action: _____

Spills:				
Type	Area	Volume	Corrective action	CA Date
Crude Oil	Treater	<= 5 bbls	SOILED DIRT AROUND BOTH SEPERATORS INSIDE AND OUTSIDE OF SEPERATOR HOUSES	01/15/2015
Crude Oil	WELLHEAD	<= 5 bbls	SOILED DIRT AROUND WELLHEADS NEEDS TO BE CLEANED UP	01/15/2015

☐ Multiple Spills and Releases?

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

<u>Equipment:</u>					
Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Pump Jack	2	SATISFACTORY			

Venting:		
Yes/No	Comment	

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

Predrill

Location ID: 429585

Site Preparation:

Lease Road Adeq.: _____

Pads: _____

Soil Stockpile: _____

S/A/V: _____

Corrective Action: _____

Date: _____ CDP Num.: _____

Form 2A COAs:

Group	User	Comment	Date
OGLA	deranleg	Obstruction lighting and flagging are required on rig per F.A.A. requirements.	06/20/2012
OGLA	deranleg	Lighting on rig must be downcast to prevent interference with pilots' fields of vision.	06/20/2012

S/A/V: _____ **Comment:** _____

CA: _____ **Date:** _____

Wildlife BMPs:

Inspector Name: MONTOYA, JOHN

BMP Type	Comment
Site Specific	Fresh water for the Fresh Water Storage Pit comes from water provider; water sources permitted for consumable industrial use.
Material Handling and Spill Prevention	Operator will ensure 110 percent secondary containment for any volume of fluids contained at the well site during drilling and completion. Operator will implement best management practices to contain any unintentional release of fluids.
Construction	The location will be fenced and the fenced area will include the Fresh Water Storage Pit.
Material Handling and Spill Prevention	Operator will ensure 110 percent secondary containment for any volume of fluids contained at the well site during drilling and completion. Operator will implement best management practices to contain any unintentional release of fluids.
Storm Water/Erosion Control	Operator has designed the well pad with insloping and a storm water control ditch to prevent storm water run-on/runoff and the release of fluids from the location. See attached Construction Layout Drawing.
Storm Water/Erosion Control	Operator has designed the well pad with insloping and a storm water control ditch to prevent storm water run-on/runoff and the release of fluids from the location. See attached Construction Layout Drawing.
Site Specific	Fresh Water Storage Pit shall contain fresh water only and signage prohibiting the use of the pit for any fluid that does not come from municipal, irrigation or surface water source.
Planning	A Form 15 Pit Report will be submitted within 30 days of construction of the fresh water storage pit.
Material Handling and Spill Prevention	Operator shall not allow any fluids to flow back to the Fresh Water Storage Pit/Pond.
Site Specific	The location will be fenced.
Pre-Construction	The COGCC to be notified 48 hours prior to construction of the Fresh Water Storage Pit.

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: 429585 Type: WELL API Number: 001-09753 Status: PR Insp. Status: SI

Idle Well

Purpose: ☒ Shut In ☐ Temporarily Abandoned Reminder: _____

S/A/V: SATISFACTORY CA Date: _____

CA: _____

Comment: _____

Facility ID: 429586 Type: WELL API Number: 001-09754 Status: PR Insp. Status: SI

Idle Well

Purpose: ☒ Shut In ☐ Temporarily Abandoned Reminder: _____

S/A/V: _____ CA Date: _____

CA: _____

Comment: _____

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:

DWR Receipt Num: _____ Owner Name: _____ GPS : _____ Lat _____ Long _____

Field Parameters:

Sample Location: _____

Complaint:

Tracking Num	Category	Assigned To	Description	Incident Date
200377245	FLARING	Precup, Jim	COMPLAINANT CALLED ABOUT SEEING FLAMES COMING FROM BURNER ONSITE AND SOME BLACK SMOKE,	02/18/2013

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: IRRIGATED

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 REVEGETATIONCropland

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: IRRIGATED _____

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 ☐

Inspector Name: MONTOYA, JOHN

Storm Water:						
Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment

S/A/V: _____ Corrective Date: _____

Comment: _____

CA: _____

Pits: ☐ NO SURFACE INDICATION OF PIT

COGCC Comments

Comment	User	Date
oil stained dirt in around wellhead need to be remediated or removed and clean dirt where soiled dirt was, soiled dirt inside seperator house, unused equipment by seperators pipe and fittings document # 668300490, Dated 1/31/2013	montoyaj	12/15/2014

Attached Documents

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

Document Num	Description	URL
671103189	INSPECTION APPROVED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3507451

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.)