

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:
12/19/2014

Document Number:
675200974

Overall Inspection:

ACTION REQUIRED

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>334573</u>	<u>334573</u>	<u>CONKLIN, CURTIS</u>	<input type="checkbox"/>	

Operator Information:

OGCC Operator Number:	<u>96850</u>
Name of Operator:	<u>WPX ENERGY ROCKY MOUNTAIN LLC</u>
Address:	<u>1001 17TH STREET - SUITE #1200</u>
City:	<u>DENVER</u> State: <u>CO</u> Zip: <u>80202</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
All Inspections		COGCCInspectionReports@wpxenergy.com	All Inspections

Compliance Summary:

QtrQtr:	<u>NENW</u>	Sec:	<u>27</u>	Twp:	<u>7S</u>	Range:	<u>96W</u>
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Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
04/09/2014	663902941			SATISFACTORY			No
07/17/2013	663801289			SATISFACTORY	I		No

Inspector Comment:

Follow up for inspection DOC# 663902941

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
211576	WELL	PR	10/27/1999	GW	045-07336	BOSELY SG 21-27	PR	<input checked="" type="checkbox"/>
279871	WELL	PR	06/18/2006	GW	045-11092	BOSELY SG 421-27	PR	<input checked="" type="checkbox"/>
279872	WELL	PR	06/22/2006	GW	045-11093	BOSELY SG 521-27	PR	<input checked="" type="checkbox"/>
279873	WELL	PR	06/15/2006	GW	045-11094	BOSELY SG 321-27	PR	<input checked="" type="checkbox"/>
433836	WELL	PR	03/11/2014	OW	045-22127	Bosely SG 11-27	PR	<input checked="" type="checkbox"/>
433838	WELL	PR	03/11/2014	OW	045-22128	Bosely SG 411-27	PR	<input checked="" type="checkbox"/>
433839	WELL	XX	02/24/2014	LO	045-22129	Federal SG 242-28	XX	<input type="checkbox"/>
433840	WELL	PR	03/11/2014	OW	045-22130	Bosely SG 311-27	PR	<input checked="" type="checkbox"/>

Equipment:

Location Inventory

Special Purpose Pits: _____	Drilling Pits: _____	Wells: <u>8</u>	Production Pits: _____
Condensate Tanks: <u>2</u>	Water Tanks: <u>2</u>	Separators: <u>8</u>	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

Lease Road:

Type	Satisfactory/Action Required	comment	Corrective Action	Date
Access	ACTION REQUIRED	Erosion in roadway	Submit workplan and timeframes to implement BMPs to resolve issue.	01/23/2015

Signs/Marker:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
CONTAINERS	SATISFACTORY			
WELLHEAD	SATISFACTORY			
TANK LABELS/PLACARDS	SATISFACTORY			

Emergency Contact Number (S/A/V): SATISFACTORY Corrective Date: _____
 Comment: 970-285-9377
 Corrective Action: _____

Good Housekeeping:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
DEBRIS	ACTION REQUIRED	Debris near tank containment. See attached photos.	Remove to comply with COGCC rule 603.f.	01/23/2015

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
SEPARATOR	SATISFACTORY	Wire panels		
WELLHEAD	SATISFACTORY	Panels		

Equipment:

Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Ancillary equipment	1	SATISFACTORY	Chem unit w/ containment		
Plunger Lift	7	SATISFACTORY			
Horizontal Heated Separator	8	SATISFACTORY			
Bird Protectors	4	SATISFACTORY			

Deadman # & Marked	1	SATISFACTORY		
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Facilities: New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
CONDENSATE	2	300 BBLS	STEEL AST	,

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
Metal	Adequate	Walls Sufficient	Base Sufficient	Adequate

Corrective Action _____ Corrective Date _____

Comment _____

Venting:

Yes/No	Comment
NO	

Flaring:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Predrill

Location ID: 334573

Site Preparation:

Lease Road Adeq.: _____ Pads: _____ Soil Stockpile: _____

S/A/V: _____

Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:

Group	User	Comment	Date
OGLA	kubeczkd	<p data-bbox="383 134 591 163">PIPELINE COAs:</p> <p data-bbox="383 197 1352 428">Operator shall pressure test pipelines in accordance with Rule 1101.e.(1) prior to putting into initial service any temporary surface or permanent buried pipelines and following any reconfiguration of the pipeline network. Operator shall notify the COGCC Oil and Gas Location Assessment (OGLA) Specialist for Western Colorado (Dave Kubeczko; email dave.kubeczko@state.co.us) and the COGCC Field Inspection Supervisor for Northwest Colorado (Shaun Kellerby; email shaun.kellerby@state.co.us) 48 hours prior to testing surface poly or buried steel pipelines.</p> <p data-bbox="383 462 1352 546">Operator must implement best management practices to contain any unintentional release of fluids along all portions of the surface pipeline route where temporary pumps and other necessary equipment are located.</p> <p data-bbox="383 579 1352 751">Operator must routinely inspect the entire length of the surface pipeline to ensure integrity. Operator shall conduct daily inspections of surface poly pipeline routes for leaks during active transfer of fluids. Inspections shall be conducted by viewing the length of the pipeline; operator will endeavor to minimize surface disturbance during pipeline monitoring. The operator shall maintain records of inspections, findings and repairs, if necessary, for the life of the pipelines.</p> <p data-bbox="383 785 1352 903">Operator must ensure 110 percent secondary containment for any potential volume of fluids that may be released from the surface pipeline at all sensitive area crossings, including, but not limited to stream, intermittent stream, ditch, and drainage crossings.</p> <p data-bbox="383 936 1352 1050">Operator will utilize, to the extent practical, all existing access and other public roads, and/or existing pipeline right-of-ways, when placing/routing the surface pipelines. This will reduce surface disturbance and fragmentation of wildlife habitat in the area.</p>	08/09/2013

<p>OGLA</p>	<p>kubeczkd</p>	<p>GENERAL SITE COAs:</p> <p>Notify the COGCC 48 hours prior to start of pad construction, rig mobilization, spud, and start of hydraulic stimulation operations using Form 42 (the appropriate COGCC individuals will automatically be email notified, including the LGD for hydraulic stimulation operations).</p> <p>Operator must implement best management practices to contain any unintentional release of fluids, including any fluids conveyed via temporary surface 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 (at least every 14 days), and maintained in good condition.</p> <p>The location is in an area of moderate to high run-on/run-off potential; therefore 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 run-off.</p> <p>The moisture content of any drill cuttings in a cuttings pit, trench, or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts. At the time of closure, if drill cuttings are to remain/disposed of onsite, they must also meet the applicable standards of table 910-1.</p> <p>Flowback and stimulation fluids must be sent to tanks, separators, or other containment/filtering equipment before the fluids can be placed into any pipeline, storage vessel, or lined pit (only if an amended Form 2A has been submitted/approved and a Form 15 Earthen Pit Permitted has been submitted/approved) located on the well pad; or into tanker trucks for offsite disposal. The flowback and stimulation fluid tanks, separators, or other containment/filtering equipment 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>Berms or other containment devices shall be constructed to be sufficiently impervious (preferably corrugated steel with poly liner) to contain any spilled or released material around crude oil, condensate, and produced water storage tanks.</p>	<p>08/09/2013</p>
<p>OGLA</p>	<p>kubeczkd</p>	<p>GROUNDWATER MONITORING COA:</p> <p>Operator shall comply with Rule 609. STATEWIDE GROUNDWATER BASELINE SAMPLING AND MONITORING. The following water wells have been identified as acceptable locations:</p> <ol style="list-style-type: none"> 1)Permit No. 120982-Hoffman, Richard, L/FracTech Services LLC; other/domestic well; TD - 250' bgs; SWL - 77' bgs; FM – bedrock; located approximately 2016' to the southeast: (downgradient). 2)Permit No. 44152-FracTech Service LLC; domestic well; TD - 90' bgs; SWL - 68' bgs; FM – alluvium; located approximately 1982' to the Southeast (downgradient). 3)Permit No. 273164- FracTech Service LLC; monitoring well; TD - ?' bgs; SWL - ?5' bgs; FM – ?alluvium/bedrock; located approximately 2217' to the south-southeast (downgradient). 4)Permit No. 65619- FracTech Service LLC; commercial well; TD - 97' bgs; SWL - 45' bgs; FM – alluvium; located approximately 2622' to the south (downgradient-crossgradient). <p>Documented refusal to grant access by well owner or surface owner (for water well or spring sampling), the well no longer exists, or if no water wells or springs are located/identified within one-half mile, shall not constitute a violation of this COA.</p>	<p>08/09/2013</p>

S/AV: SATISFACTORY

Comment: Secondary containment in place.

CA: _____ Date: _____

Wildlife BMPs:

BMP Type	Comment
Drilling/Completion Operations	<p>DRILLING/COMPLETIONS BMP's</p> <ul style="list-style-type: none"> * Conduct well completions with drilling operations to limit the number of rig moves and traffic.
Interim Reclamation	<p>PRODUCTION/RECLAMATION BMP's</p> <ul style="list-style-type: none"> * Use only certified weed-free native seed in seed mixes, except for non-native plants that benefit wildlife * WPX Energy will use certified, weed free grass hay, straw, hay or other mulch materials used for the reseeding and reclamation of disturbed areas. * Install exclusionary devices to prevent bird and other wildlife access to equipment stacks, vents and openings. * Reduce visits to well-sites through remote monitoring (i.e. SCADA) and the use of multi-function contractors.
Planning	<p>PLANNING BMP's</p> <ul style="list-style-type: none"> * Share/consolidate corridors for pipeline ROWs to the maximum extent possible. * Maximize the utility of surface facilities by developing multiple wells from a single pad (directional drilling), and by co-locating multipurpose facilities (for example, well pads and compressors) to avoid unnecessary habitat fragmentation and disturbance of additional geographic areas. * Minimize newly planned activities and operations within 300 feet of the ordinary high water mark of any reservoir, lake, wetland, or natural perennial or seasonally flowing stream or river. * Minimize the number, length, and footprint of oil and gas development roads * Use existing roads where possible * Combine utility infrastructure (gas, electric, and water) planning with roadway planning to avoid separate utility corridors * Combine and share roads to minimize habitat fragmentation * Where possible, consolidate pipeline and existing roadways, or roadways that are planned for development * Design roads with visual and auditory buffers or screens (e.g., topographic barriers, vegetation, and distance). * Maximize the use of directional drilling to minimize habitat loss/fragmentation * Maximize use of remote telemetry for well monitoring to minimize traffic * Minimize the duration of development and avoid repeated or chronic disturbance of developed areas. Complete all anticipated drilling within a phased, concentrated, development area during a single, uninterrupted time period.
Construction	<p>CONSTRUCTION BMP's</p> <ul style="list-style-type: none"> * Design road crossings of streams at right angles to all riparian corridors and streams to minimize the area of disturbance to the extent possible.

S/AV: _____ **Comment:** Well have been completed.

CA: _____ Date: _____

Stormwater:

Comment: Stormwater BMPs do not meet COGCC standards at time of inspection.

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: 211576 Type: WELL API Number: 045-07336 Status: PR Insp. Status: PR

Producing Well

Comment: PR w/ plunger lift

Facility ID: 279871 Type: WELL API Number: 045-11092 Status: PR Insp. Status: PR

Producing Well

Comment: PR w/ plunger lift

Facility ID: 279872 Type: WELL API Number: 045-11093 Status: PR Insp. Status: PR

Producing Well

Comment: PR w/ plunger lift

Facility ID: 279873 Type: WELL API Number: 045-11094 Status: PR Insp. Status: PR

Producing Well

Comment: PR w/ plunger lift

Facility ID: 433836 Type: WELL API Number: 045-22127 Status: PR Insp. Status: PR

Producing Well

Comment: PR w/ plunger lift

Facility ID: 433838 Type: WELL API Number: 045-22128 Status: PR Insp. Status: PR

Producing Well

Comment: PR w/ plunger lift

Facility ID: 433840 Type: WELL API Number: 045-22130 Status: PR Insp. Status: PR

Producing Well

Comment: PR w/ plunger lift

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: _____

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? Pass 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 Pass 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
Compaction	Fail	Gravel	Pass			
Drains	Fail					
Berms	Fail	Compaction	Fail			

S/A/V: **ACTION REQUIRED** Corrective Date: **01/23/2015**

Comment: **Berm has been breached on south end of location. Rutting throughout location. Drain from wellheads has no retention pond and water flow from it has eroded west side of location. See attached photos.**

CA: **Submit workplan and time frames to implement BMPs to resolve issues.**

Pits: NO SURFACE INDICATION OF PIT

COGCC Comments

Comment	User	Date
Issues from previous inspection have been resolved.	conklinc	12/19/2014

Attached Documents

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

Document Num	Description	URL
675200985	Bosely SG 21-27	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3512126

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.)