

**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:

12/22/2014

Document Number:

668200827

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

| | | | | | |
|---------------------|-------------|--------|-----------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | 434526 | 434526 | LEONARD, MIKE | <input type="checkbox"/> | |

Operator Information:OGCC Operator Number: 100185Name of Operator: ENCANA OIL & GAS (USA) INCAddress: 370 17TH ST STE 1700City: DENVER State: CO Zip: 80202-

- ☐ 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 |
|--------------|-------|--------------------------------|-------------|
| | | cogcc.djinspections@encana.com | Group email |

Compliance Summary:QtrQtr: SESE Sec: 29 Twp: 1N Range: 68W

| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Action Required | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|-------------------------------|----------|----------------|-----------------|
| 12/12/2014 | 668200824 | | | ACTION REQUIRED | | | No |
| 12/12/2014 | 668200820 | | | ACTION REQUIRED | | | No |
| 12/10/2014 | 673801616 | | | SATISFACTORY | | | No |
| 12/08/2014 | 673801597 | | | SATISFACTORY | | | No |
| 12/08/2014 | 674101870 | | | SATISFACTORY | | | No |

Inspector Comment:

Inspection performed in response to numerous public complaints

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status | |
|-------------|------|--------|-------------|------------|-----------|-------------------|-------------|-------------------------------------|
| 434525 | WELL | DG | 11/23/2014 | LO | 123-38225 | Pratt 4G-29H-P168 | DG | <input checked="" type="checkbox"/> |
| 434527 | WELL | XX | 10/04/2013 | LO | 123-38226 | Pratt 4D-29H-P168 | ND | <input checked="" type="checkbox"/> |
| 434528 | WELL | XX | 10/04/2013 | LO | 123-38227 | Pratt 4F-29H-P168 | ND | <input checked="" type="checkbox"/> |
| 434529 | WELL | XX | 10/04/2013 | LO | 123-38228 | Pratt 4E-29H-P168 | ND | <input checked="" type="checkbox"/> |
| 434530 | WELL | XX | 10/04/2013 | LO | 123-38229 | Pratt 4B-29H-P168 | ND | <input checked="" type="checkbox"/> |
| 434733 | WELL | XX | 10/17/2013 | LO | 123-38301 | Pratt 4C-29H-P168 | ND | <input checked="" type="checkbox"/> |

Equipment:Location Inventory

Inspector Name: LEONARD, MIKE

| | | | |
|------------------------------|---------------------------|------------------------|--------------------------|
| Special Purpose Pits: _____ | Drilling Pits: _____ | Wells: <u>6</u> | Production Pits: _____ |
| Condensate Tanks: _____ | Water Tanks: _____ | Separators: <u>6</u> | Electric Motors: _____ |
| Gas or Diesel Mortors: _____ | Cavity Pumps: _____ | LACT Unit: _____ | Pump Jacks: _____ |
| Electric Generators: _____ | Gas Pipeline: <u>1</u> | Oil Pipeline: <u>1</u> | Water Pipeline: <u>1</u> |
| Gas Compressors: _____ | VOC Combustor: _____ | Oil Tanks: _____ | Dehydrator Units: _____ |
| Multi-Well Pits: _____ | Pigging Station: <u>1</u> | Flare: _____ | Fuel Tanks: _____ |

Location

Signs/Marker:

| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
|-----------------|------------------------------|---------|-------------------|---------|
| DRILLING/RECOMP | SATISFACTORY | | | |

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

Corrective Date: _____

Comment: _____

Corrective Action: _____

Spills:

| Type | Area | Volume | Corrective action | CA Date |
|------|------|--------|-------------------|---------|
|------|------|--------|-------------------|---------|

☐ Multiple Spills and Releases?

Fencing/:

| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
|----------|------------------------------|---|-------------------|---------|
| LOCATION | SATISFACTORY | Barbed wire on east, south and west perimeter | | |

Venting:

| Yes/No | Comment |
|--------|---------|
| | |

Flaring:

| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
|------|------------------------------|---------|-------------------|---------|
| | | | | |

Predrill

Location ID: 434526

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:

| BMP Type | Comment |
|--------------------------------|---|
| Planning | <p>Maximize equipment and wellhead setbacks from occupied buildings and residences to the extent feasible and practicable, as determined by Encana.</p> <p>Prior to commencement of any new drilling or completion operations, provide notification to landowners within one-half (1/2) mile of the well-site.</p> <p>Prior to commencement of any new drilling or completion operations, provide to an Erie designated staff member the following for the well-site for informational purposes only, which Encana may revise from time to time during operations:</p> <ul style="list-style-type: none"> a) A summary of planned operations, including identified access points and operational timeline, for posting to a local community information web-page b) A site plan for site preparation, mobilization and demobilization c) A plan for interim reclamation and vegetation of the site and final reclamation of the site d) A plan for noise, light and dust mitigation, to the extent feasible e) A traffic management plan f) Updates of this information if any change during operations |
| Construction | Utilize steel-rim berms around tanks and separators instead of sand or soil berms |
| Drilling/Completion Operations | <p>Utilize closed-loop systems for drilling and completion operations to minimize the need for earthen pits</p> <p>Utilize a high-low pressure vessel (HLP) and vapor recovery unit (VRU) for new wells drilled. Encana may remove the VRU system at such time Encana determines that the VRU system is no longer necessary due to reduced emission recoveries and/or efficiencies, but no earlier than one (1) year after the new well is drilled</p> |

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: 434525 Type: WELL API Number: 123-38225 Status: DG Insp. Status: DG

Complaint

Comment: In response to numerous noise complaints performed sound survey (see attached) 350' to the south , southwest and southeast . Observed disturbance from pipeline activities on south and southeast areas of field surrounding location, however no construction was being performed (see complaint document # 2004202102). Winds were light (>5mph) from north. Did not detect odors as described in complaint document # 200420086.

Well Drilling

Rig: Rig Name: Patterson 272 Pusher/Rig Manager: _____
 Permit Posted: _____ Access Sign: _____

Well Control Equipment:

Pipe Ram: _____ Blind Ram: _____ Hydril Type: _____
 Pressure Test BOP: _____ Test Pressure PSI: _____ Safety Plan: _____

Drill Fluids Management:

Lined Pit: _____ Unlined Pit: _____ Closed Loop: _____ Semi-Closed Loop: _____
 Multi-Well: _____ Disposal Location: _____

Comment:

In process of laying down drill pipe

Facility ID: 434527 Type: WELL API Number: 123-38226 Status: XX Insp. Status: ND

Facility ID: 434528 Type: WELL API Number: 123-38227 Status: XX Insp. Status: ND

Facility ID: 434529 Type: WELL API Number: 123-38228 Status: XX Insp. Status: ND

Facility ID: 434530 Type: WELL API Number: 123-38229 Status: XX Insp. Status: ND

Facility ID: 434733 Type: WELL API Number: 123-38301 Status: XX Insp. Status: ND

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: _____

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? _____ 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 _____

Inspector Name: LEONARD, MIKE

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 | Gravel | Pass | | | |
| | | Other | Pass | VT | Pass | Vehicle tracking pad |
| Ditches | Pass | | | | | |
| Compaction | Pass | Compaction | Pass | | | |
| Sediment Traps | Pass | | | | | |
| Tackifiers | Pass | Ditches | Pass | | | |

S/A/V: SATISFACTOR
Y Corrective Date: _____

Comment: _____

CA: _____

Pits: ☐ NO SURFACE INDICATION OF PIT

COGCC Comments

| Comment | User | Date |
|---|----------|------------|
| Continue noise mitigation efforts until all equipment demobilized | leonardm | 12/24/2014 |

Attached Documents

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

| Document Num | Description | URL |
|--------------|----------------------------|---|
| 668200828 | Sound Survey 12_22_2014 | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3514898 |

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.)