

**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:
12/03/2014Document Number:
673401503

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	295294	324752	Waldron, Emily	<input type="checkbox"/>	

Operator Information:OGCC Operator Number: 10450Name of Operator: EE3 LLCAddress: 4410 ARAPAHOE AVENUE #100City: BOULDER State: CO Zip: 80303

- ☒ 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
McClure, Rich		rmcclure@ee3llc.com	
Ashby, Andy		aashby@ee3llc.com	
Kellerby, Shaun		shaun.kellerby@state.co.us	

Compliance Summary:QtrQtr: NENE Sec: 32 Twp: 7N Range: 80W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
01/15/2014	673400194	PR	PR	ACTION REQUIRED	F		No
10/31/2013	673400060	PR	PD	ACTION REQUIRED	F		No
04/19/2013	669300493	PR	PR	SATISFACTORY	I		No
04/19/2013	669300494	PR	SI	ACTION REQUIRED	I		No
06/14/2011	200318141	PR	SI	SATISFACTORY			No
11/18/2010	200290300	PR	TA	SATISFACTORY			No
09/15/2010	200276815	DG	AO	SATISFACTORY			No
06/18/2010	200258477	PR	PR	SATISFACTORY			No

Inspector Comment:**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
295294	WELL	SI	08/14/2014	OW	057-06467	VANETA 1-32D	AC	<input checked="" type="checkbox"/>
295297	PIT	CL	05/27/2008	-	-	VANETA 1-32	CL	<input type="checkbox"/>

Equipment:Location Inventory

Inspector Name: Waldron, Emily

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

Signs/Marker:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
WELLHEAD	SATISFACTORY			
BATTERY	ACTION REQUIRED	No sign at battery.	Install sign to comply with rule 210.	01/30/2015
TANK LABELS/PLACARDS	ACTION REQUIRED	No tank labels.	Install sign to comply with rule 210.	01/30/2015

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

Corrective Date: _____

Comment: At entrance.

Corrective Action: _____

Good Housekeeping:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
STORAGE OF SUPL	ACTION REQUIRED	It appears location is being used as storage and staging area. Equipment and supplies including but not limited to: Frack tanks, tubing, piping, office building	Remove all equipment not necessary for production of this lease.	01/30/2015

Spills:

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

☐ Multiple Spills and Releases?

Equipment:

Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Deadman # & Marked	4	SATISFACTORY			
Bird Protectors		SATISFACTORY			

Facilities:

☐ New Tank

Tank ID: _____

Contents	#	Capacity	Type	SE GPS
	6		STEEL AST	40.540390,-106.391400

S/A/V: _____ Comment: _____

Corrective Action: _____

Corrective Date: _____

Paint

Condition _____

Other (Content) _____

Inspector Name: Waldron, Emily

Other (Capacity) _____

Other (Type) _____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate	Walls Sufficient		Adequate

Corrective Action		Corrective Date	
-------------------	--	-----------------	--

Comment	
---------	--

<u>Venting:</u>		
Yes/No	Comment	

<u>Flaring:</u>				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Predrill

Location ID: 295294

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: 295294 Type: WELL API Number: 057-06467 Status: SI Insp. Status: AC

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:

Inspector Name: Waldron, Emily

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: _____	
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	
<u>Cropland</u>	
Top soil replaced _____	Recontoured _____ Perennial forage re-established _____
<u>Non-Cropland</u>	
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

S/A/V: **ACTION REQUIRED**Corrective Date: **01/30/2015**Comment: **No source containment observed around equipment stored on location. No stormwater BMPs evident on location.**CA: **A stormwater plan should be developed, installed and maintained to prevent the migration or erosion of soil on pad, access roads and in interim reclamation area.**Pits: ☐ NO SURFACE INDICATION OF PIT**COGCC Comments**

Comment	User	Date
Follow up to inspection from 1/15/2014 (document number 673400194). Equipment noted in that inspection is still on location and more equipment has been brought to location since. Please provide a written corrective action plan to inspector within 7 business days of receipt of this report.	waldrone	12/31/2014

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

Document Num	Description	URL
673401616	Equipment on location	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3518763
673401617	Equipment on location	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3518764
673401618	Equipment on location	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3518765
673401619	Equipment on location	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3518766
673401620	Equipment on location	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3518767

Inspector Name: Waldron, Emily

673401621	Equipment on location	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3518768
673401622	Equipment on location	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3518769

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.)