

Inspector Name: Sherman, Susan

**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:

01/23/2015

Document Number:

673709373

Overall Inspection:

**ACTION REQUIRED****FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	233119	316909	Sherman, Susan	<input type="checkbox"/>	

**Operator Information:**OGCC Operator Number: 24320Name of Operator: DIAMOND OPERATING, INC.Address: 6666 GUNPARK DR STE #200City: BOULDER State: CO Zip: 80301

- ☐ 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
Peterson, Dave	(303) 949-4420	davep@flatironenergy.com	
Young, Rob		rob.young@state.co.us	COGCC EPS.

**Compliance Summary:**

QtrQtr:	NWNE	Sec:	18	Twp:	4S	Range:	53W
Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
11/30/2011	662000050	PR	PR	ALLEGED VIOLATION			Yes
02/10/2005	200066883	PR	PR	SATISFACTORY		Fail	Yes

**Inspector Comment:****Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
117631	PIT	AC	09/23/1999		-	DECKER SKIM 1	AC	<input type="checkbox"/>
233119	WELL	PR	12/09/2013	OW	121-05141	DECKER 31-18 1	PR	<input checked="" type="checkbox"/>

**Equipment:**Location Inventory

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**

<b>Signs/Marker:</b>				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
WELLHEAD	SATISFACTORY			
CONTAINERS	ACTION REQUIRED	Blue chemical container at wellhead requires label (see attached photo).	Install sign to comply with rule 210.	02/27/2015
BATTERY	SATISFACTORY			
TANK LABELS/PLACARDS	ACTION REQUIRED	PW, skim tank requires NFPA label (see attached photo).	Install sign to comply with rule 210.	02/27/2015

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

Corrective Date: \_\_\_\_\_

Comment: \_\_\_\_\_

Corrective Action: \_\_\_\_\_

<b>Good Housekeeping:</b>				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
WEEDS	SATISFACTORY	mowed		
UNUSED EQUIPMENT	ACTION REQUIRED	Equipment along W fence (fence down in places) (see attached photo).	Remove unused equipment or determine landowner permission.	02/27/2015

<b>Spills:</b>				
Type	Area	Volume	Corrective action	CA Date
Lube Oil	Pump Jack	<= 5 bbls	Remove or remediate stained soils at pump jack (see attached photos). Fix leak.	02/06/2015

☐ Multiple Spills and Releases?

<b>Fencing/:</b>				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
WELLHEAD	SATISFACTORY	pig panels		

<b>Equipment:</b>					
Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Pump Jack	1	ACTION REQUIRED	leaking	See Spill section for CA.	02/27/2015
Deadman # & Marked	4	SATISFACTORY			
Veritcal Heater Treater	1	SATISFACTORY	earth berms 39.706417, - 103.356964		
Bird Protectors	2	SATISFACTORY	treater and skim tank		
Ancillary equipment	4	ACTION REQUIRED	chemical container, REA poles, electric panel, propane tank	See Sign section for CA.	02/27/2015
Prime Mover	1	SATISFACTORY	electric		

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

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Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	1	400 BBLS	STEEL AST	39.706817,-103.356936
S/A/V:	ACTION REQUIRED		Comment: insulated, skim tank	
Corrective Action:	See Sign sectin for CA.			Corrective Date: 02/27/2015

Paint

Condition	Adequate
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Other (Content) \_\_\_\_\_

Other (Capacity) \_\_\_\_\_

Other (Type) \_\_\_\_\_

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate	Walls Sufficent	Base Sufficient	Adequate
Corrective Action				Corrective Date
Comment				

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

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	1	400 BBLS	STEEL AST	,
S/A/V:	SATISFACTORY		Comment: same berms as CO tanks	
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
Corrective Action				Corrective Date
Comment				

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

Contents	#	Capacity	Type	SE GPS
CRUDE OIL	2	400 BBLS	STEEL AST	39.706458,-103.356542
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
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Earth	Adequate	Walls Sufficient	Base Sufficient	Adequate	
Corrective Action					Corrective Date
Comment					

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

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

**Predrill**

Location ID: 233119

**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**

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Facility ID: 233119 Type: WELL API Number: 121-05141 Status: PR Insp. Status: PR

**Producing Well**

Comment: Oct 2014 reported to COGCC database. SI for spill for prevent water production.

**Idle Well**

Purpose: ☐ Shut In ☐ Temporarily Abandoned Reminder: \_\_\_\_\_

S/A/V: \_\_\_\_\_ CA Date: \_\_\_\_\_

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

Comment: \_\_\_\_\_

**Environmental**

**Spills/Releases:**

Type of Spill: WATER Description: N berm breach Estimated Spill Volume: 5000

Comment: EPS will track Form 19 and any other corrective actions/dates for the spill.

Corrective Action: EPS will document corrective actions and schedule. Date: 01/30/2015

Reportable: YES GPS: Lat \_\_\_\_\_ Long \_\_\_\_\_

Proximity to Surface Water: 550 Depth to Ground Water: 43

**Water Well:**

DWR Receipt Num: 9057170 Owner Name: Ernest Decker GPS : 39.708351 Lat -103.356249 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: pasture

1003a. Debris removed? Pass CM \_\_\_\_\_

CA \_\_\_\_\_ CA Date \_\_\_\_\_

Waste Material Onsite? In CM \_\_\_\_\_

CA \_\_\_\_\_ CA Date \_\_\_\_\_

Unused or unneeded equipment onsite? Fail CM \_\_\_\_\_

CA See Housekeeping section for CA. CA Date 02/27/2015

Pit, cellars, rat holes and other bores closed? Pass CM \_\_\_\_\_

CA \_\_\_\_\_ CA Date \_\_\_\_\_

Guy line anchors removed? \_\_\_\_\_ CM \_\_\_\_\_

CA \_\_\_\_\_ CA Date \_\_\_\_\_

Guy line anchors marked? Pass CM \_\_\_\_\_  
CA \_\_\_\_\_ CA Date \_\_\_\_\_

Comment:

Comment:

Comment:

Overall Final Reclamation ☐ Well Release on Active Location ☐ Multi-Well Location ☐

S/A/V: **ACTION REQUIRED** Corrective Date: **02/27/2015**Comment: **N pit berm breach. Chemical container at wellhead berms require maintenance.**CA: **Fix berms on pit and chemical container.****Pits:** ☐ NO SURFACE INDICATION OF PITPit Type: Produced Water Lined: NO Pit ID: \_\_\_\_\_ Lat: 39.707083 Long: -103.356939**Lining:**

Liner Type: \_\_\_\_\_ Liner Condition: \_\_\_\_\_

Comment: \_\_\_\_\_

**Fencing:**

Fencing Type: \_\_\_\_\_ Fencing Condition: \_\_\_\_\_

Comment: \_\_\_\_\_

**Netting:**

Netting Type: \_\_\_\_\_ Netting Condition: \_\_\_\_\_

Comment: \_\_\_\_\_

Anchor Trench Present: \_\_\_\_\_ Oil Accumulation: YES 2+ feet Freeboard: \_\_\_\_\_Pit (S/A/V): ACTION Comment: **Pit ~100'x120'. Oil in boom area on S side of pit (see attached photo).**Corrective Action: **Remove free oil from S pit.**Date: **01/30/2015**Pit Type: Produced Water Lined: NO Pit ID: \_\_\_\_\_ Lat: 39.707478 Long: -103.356953**Lining:**

Liner Type: \_\_\_\_\_ Liner Condition: \_\_\_\_\_

Comment: \_\_\_\_\_

**Fencing:**

Fencing Type: \_\_\_\_\_ Fencing Condition: \_\_\_\_\_

Comment: \_\_\_\_\_

**Netting:**

Netting Type: \_\_\_\_\_ Netting Condition: \_\_\_\_\_

Comment: \_\_\_\_\_

Anchor Trench Present: \_\_\_\_\_ Oil Accumulation: NO 2+ feet Freeboard: \_\_\_\_\_Pit (S/A/V): ACTION Comment: **Pit ~200'x120' ice covered. House is ~450' NW of berm breach. On 1/22/2015 berm on N pit was breached from overtopping spilling ~ 5000 BBLs of PW to stock pond to the N. See attached photos. Not 2' of freeboard, ice at level of berm near breach. See previous inspection 662000050 from 11/30/2011.**Corrective Action: **Lower water level in N pit to below berm breach, repair berm, and maintain 2' freeboard. Remove water from landowner's stock pond. Contact COGCC EPS.**Date: **01/30/2015**

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Pit Type: Skimming/Settling Lined: NO Pit ID: \_\_\_\_\_ Lat: 39.706656 Long: -103.357119

**Lining:**

Liner Type: \_\_\_\_\_ Liner Condition: \_\_\_\_\_

Comment: Plastic liner over top of pit during remediation.

**Fencing:**

Fencing Type: \_\_\_\_\_ Fencing Condition: \_\_\_\_\_

Comment: \_\_\_\_\_

**Netting:**

Netting Type: \_\_\_\_\_ Netting Condition: \_\_\_\_\_

Comment: \_\_\_\_\_

Anchor Trench Present: \_\_\_\_\_ Oil Accumulation: \_\_\_\_\_ 2+ feet Freeboard: \_\_\_\_\_

Pit (S/A/V): SATISFACTOR Comment: In process of remediation (see attached photo). Confirm Form 27 submittal.

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

**COGCC Comments**

Comment	User	Date
	ShermaSe	01/26/2015

**Attached Documents**

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

Document Num	Description	URL
673709380	Diamond Decker 1 spill	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3536494">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3536494</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.)