

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



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Inspection Date:
01/19/2015

Document Number:
675100892

Overall Inspection:
SATISFACTORY

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>439963</u>	<u>336392</u>	<u>GRANAHAN, KYLE</u>	<input type="checkbox"/>	

Operator Information:

OGCC Operator Number:	<u>49100</u>
Name of Operator:	<u>KOCH EXPLORATION COMPANY, LLC</u>
Address:	<u>950 17TH STREET #1900</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
Clark, John	505-334-9111	clark23j@kochind.com	Rio Blanco insp

Compliance Summary:

QtrQtr:	<u>NWSW</u>	Sec:	<u>29</u>	Twp:	<u>2N</u>	Range:	<u>96W</u>
Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
12/13/2014	675100731	DG	DG	SATISFACTORY			No

Inspector Comment:

Inspection in regards to DOC # 400772049 "NOTICE OF HYDRAULIC FRACTURING TREATMENT"

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
232246	WELL	PR	10/16/2003	GW	103-09917	WRD UNIT 29-31	TA	<input checked="" type="checkbox"/>
259579	WELL	PA	10/29/2010	GW	103-10106	WRD UNIT 29-31 S	PA	<input type="checkbox"/>
439963	WELL	DG	12/11/2014		103-12170	WRD FEDERAL 30-34D	WO	<input checked="" type="checkbox"/>

Equipment:

Location Inventory

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

Location

OGLA	kubeczkd	<p>Notify the COGCC 48 hours prior to start of pad reconstruction/regarding (if necessary), rig mobilization, spud, pipeline testing, start of hydraulic stimulation operations, and start of flowback operations using Form 42 (the appropriate COGCC individuals will automatically be email notified, including the LGD for hydraulic stimulation operations). Since Koch has already built this pad, timing of notifications for pad reconstruction and rig mobilization do not need to be adhered to for this well. Any additional wells (if drilled in the future) will need to follow the notification timelines in the future.</p>	11/17/2014
OGLA	kubeczkd	<p>The moisture content of drill cuttings managed onsite shall be kept as low as practicable to prevent accumulation of liquids greater than de minimis amounts. After drilling and completion operations have been completed, the drill cuttings that will remain on the well pad location (cuttings management area, the cut portion of the pad, cuttings trench, dry cuttings drilling pit), must meet the applicable standards of Table 910-1. After the drill cuttings have been amended (if necessary) and placed on the well pad, sampling frequency of the drill cuttings (to be determined by the operator) shall be representative of the material left on location. No offsite disposal of cuttings to another oil and gas location shall occur without prior approval of a Waste Management Plan (submitted via a Form 4 Sundry Notice) specifying disposal location and waste characterization method. Commercial disposal of drill cuttings will only require notification to COGCC via a Form 4 Sundry Notice.</p> <p>If the well(s) is(are) to be hydraulically stimulated, flowback and stimulation fluids must be sent to tanks, separators, or other containment/filtering equipment before the fluids can be placed into any pipeline or storage vessel 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 constructed to be sufficiently impervious to contain any spilled or released material.</p> <p>Potential odors associated with the completions process and/or with long term production operations must be controlled/mitigated.</p>	11/17/2014
OGLA	kubeczkd	<p>Operator must ensure secondary containment for any volume of fluids contained at well pad site during operations; including, but not limited to, construction/reconstruction 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 after precipitation events), and maintained in good condition.</p> <p>The access road will be maintained as to not allow any sediment to migrate from the access road to nearby surface water or any drainages leading to surface water.</p> <p>Strategically apply fugitive dust control measures, including encouraging established speed limits on private roads, to reduce fugitive dust and coating of vegetation and deposition in water sources.</p> <p>Berms or other containment devices shall be constructed to be sufficiently impervious (corrugated steel with poly liner or equivalent) to contain any spilled or released material around crude oil, condensate, and produced water storage tanks.</p>	11/17/2014

S/AV: SATISFACTORY

Comment: COA's met at time of inspection

CA:

Date: _____

Wildlife BMPs:

BMP Type	Comment
Storm Water/Erosion Control	A Master Stormwater Management Plan, as required by the CDPHE, is in place for the White River Dome field and includes the subject location. The plan details BMPs related to storm water management and erosion control that will be implemented during construction and interim reclamation. A Post-Constriction Stormwater Plan is in place and will be implemented after interim reclamation is complete.
Drilling/Completion Operations	Koch Exploration Company will comply with the most current revision of the Northwest Colorado Notification Policy.
Material Handling and Spill Prevention	Koch Exploration Company (KEC) operates certain natural gas production wells in Rio Blanco County, Colorado that are subject to SPCC planning and requirements because they have oil storage capacity greater than 1,320 gallons (approximately 31 bbls). For those wells that meet or exceed the threshold storage requirements (referred to henceforth as the "SPCC Wells") KEC is required to develop and implement an SPCC plan. This field wide SPCC Plan has been developed for the KEC SPCC wells that together are referred to as the Rio Blanco County Well Sites, Colorado in response to the regulations listed above.
Wildlife	<ol style="list-style-type: none"> 1. Where drilling and completion activities must occur in mule deer critical winter range, conduct these activities outside the time period from December 1 through April 15, unless an approval is granted by the BLM authorized officer. 2. Restrict work-over rig activities to between the hours of 10:00 am and 3:00 pm from December 1 to April 15 when possible, to accommodate mule deer critical winter range, unless an approval is granted by the BLM authorized officer. 3. Concentrate post-development water truck delivery trips to between the hours of 10:00 am and 3:00 pm from December 1 to April 15 when possible to accommodate mule deer critical winter range. 4. Follow company guidelines to minimize wildlife mortality from vehicle collisions on roads.

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: 232246 Type: WELL API Number: 103-09917 Status: PR Insp. Status: TA

Idle Well

Purpose: Shut In Temporarily Abandoned Reminder: EQUIPMENT PRESENT/DISCONNECTED
S/A/V: SATISFACTORY CA Date: _____
CA: _____
Comment: Well TA for safety reasons until 30-34D is completed.

Facility ID: 439963 Type: WELL API Number: 103-12170 Status: DG Insp. Status: WO

Well Stimulation

Stimulation Company: Nabors well services Stimulation Type: HYDRAULIC FRAC
Other: _____
Observation:
Maximum Casing Recorded: _____ PSI Tubing: _____
Surface: _____ Intermediate: _____
Production: 1795 Instantaneous Shut-In Pressure (ISIP) 722
Bradenhead Psi: 0 Frac Flow Back: _____ Fluid: _____ Gas: _____

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 _____

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
Berms	Pass					Compacted
Gravel	Pass					
Retention Ponds	Pass					
				MHSP	Pass	Secondary containment present
		Gravel	Pass			
Slope Roughening	Pass					
		Compaction	Pass			
Compaction	Pass					

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

Comment: Snow cover prevented a full evaluation of stormwater BMP's – no evidence of soil migration at time of inspection.

CA: _____

Pits: NO SURFACE INDICATION OF PIT