

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:
03/20/2015

Document Number:
670900397

Overall Inspection:
SATISFACTORY

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>436223</u>	<u>318806</u>	<u>Peterson, Tom</u>	<input type="checkbox"/>	

Operator Information:

OGCC Operator Number:	<u>47120</u>
Name of Operator:	<u>KERR MCGEE OIL & GAS ONSHORE LP</u>
Address:	<u>P O BOX 173779</u>
City:	<u>DENVER</u> State: <u>CO</u> Zip: <u>80217-</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
Avant, Paul	(720) 929-6457	Paul.Avant@Anadarko.com	All inspections
		cogccinspections@anadarko.com	All inspections

Compliance Summary:

QtrQtr:	<u>SESE</u>	Sec:	<u>9</u>	Twp:	<u>1N</u>	Range:	<u>67W</u>
Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
02/27/2015	670900216	PR	PR	ACTION REQUIRED			No

Inspector Comment:

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
242192	WELL	PR	03/20/1995	OW	123-09983	ROCKY MOUNTAIN FUEL CO C 8	PR <input type="checkbox"/>
302055	WELL	AL	01/11/2010	LO	123-30209	NRC 16-9	AL <input type="checkbox"/>
302058	WELL	AL	01/11/2010	LO	123-30211	NRC 37-9	AL <input type="checkbox"/>
436223	WELL	PR	12/10/2014	OW	123-38996	NRC 1N-4HZ	PR <input checked="" type="checkbox"/>
436224	WELL	PR	10/01/2014	OW	123-38997	NRC 27C-4HZ	PR <input checked="" type="checkbox"/>
436225	WELL	PR	12/10/2014	OW	123-38998	NRC 26C-4HZ	PR <input checked="" type="checkbox"/>

Equipment:

Location Inventory

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Inspector Name: Peterson, Tom

Special Purpose Pits: _____	Drilling Pits: _____	Wells: <u>4</u>	Production Pits: _____
Condensate Tanks: _____	Water Tanks: _____	Separators: _____	Electric Motors: _____
Gas or Diesel Mortors: _____	Cavity Pumps: _____	LACT Unit: _____	Pump Jacks: <u>3</u>
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			
TANK LABELS/PLACARDS	SATISFACTORY			
CONTAINERS	SATISFACTORY			
BATTERY	SATISFACTORY	Item noted on prior inspection document #670900216 has been corrected.		

Emergency Contact Number (S/A/V): SATISFACTORY Corrective Date: _____

Comment: _____

Corrective Action: _____

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
WELLHEAD	SATISFACTORY	Panel		

Facilities: New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
CRUDE OIL		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	
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Venting:	
Yes/No	Comment
NO	

Flaring:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Predrill

Location ID: 436223

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
Drilling/Completion Operations	604c.(2).K. Pit Level Indicators: All tanks (used in lieu of pits) contain pit level monitors with Electronic Drilling Recorders (EDR). KMG uses EDRs with pit level monitor(s) and alarm(s) for production rigs. Basic level gages are used on tanks utilized for the surface rig.
Construction	604c.(2).G. Berm Construction: Kerr-McGee will create tertiary containment by construction of a berm or diversion dike, site grading, or other comparable measures, sufficient to further protect the ditch located 289' southwest of the oil and gas location.
Drilling/Completion Operations	604c.(2).I. BOPE Testing for Drilling Operations: Upon initial rig-up, BOPEs will be tested at a minimum of every 30 days.
General Housekeeping	604c.(2).P. Removal of Surface Trash: A commercial size trash bin for removing debris will be located on site. This bin will be for use by all parties affiliated with the operation.
Final Reclamation	604c.(2).U. Identification of Plugged and Abandoned Wells: Pursuant to rule 319.a.(5)., once the well has been plugged and abandoned, KMG will identify the location of the wellbore with a permanent monument that will detail the well name and date of plugging.
Community Outreach and Notification	An offset property owner within 1,000' of this oil and gas location expressed concerns regarding noise, light, traffic and dust in relation to our operations. KMG commits to the following BMPs to mitigate the concerns. Dust: KMG will apply magnesium chloride to roads to alleviate dust. The offset property owner expressed concern over utilizing water to abate dust due to the mud it can create. Light: The offset property owner's concerns regarding light were primarily focused on lights from truck traffic. KMG offered to place hay bales anywhere feasible along the offset owner's property to block light associated with the project. The residence sits atop a hill, so the hay bales would be most effective placed near the residence or atop the hill. The hay bales will be installed by KMG at request of the offset property owner. Noise: KMG will place hay bales on along the southern, south-western and eastern sides of the pad location to damper noise during drilling and completions. The additional hay bales mentioned in the light BMP above will also help alleviate noise associated with this project, if the offset property owner chooses to have them installed. Traffic: Truck traffic will access the location using WCR 19 and WCR 10. This traffic route was worked out with the offset property owner. Oil will be piped instead of transported by truck from this oil and gas location to greatly reduce the traffic associated with this project. Water will also be piped to further reduce traffic.
Drilling/Completion Operations	604c.(2).H. BOPE: Our rigs at a minimum will have a double ram with blind and pipe ram; and annular preventer.

Planning	604c.(2).S. Access Roads: KMG will utilize a lease access road from Weld County Road 10 for drilling operations and maintenance equipment. The road will be properly constructed and maintained to accommodate for local emergency vehicle access. Magnesium chloride will be used as needed on access roads to further abate dust.
Construction	604c.(2).M. Fencing Requirements: The completed wellsites will be surrounded with a fence and gate with adequate lock to restrict access to authorized personnel only. KMG personnel will monitor the wellsites regularly upon completion of the wells. Authorized representatives and/or KMG personnel shall be on-site during drilling and completion operations.
Final Reclamation	604c.(2).T. Well Site Cleared: The wellsite will be cleared of all non-essential equipment within ninety (90) days after all wells associated with the pad have been plugged and abandoned.
Planning	604c.(2).V. Development From Existing Well Pads: KMG will locate the three proposed horizontal wells on the existing well pad with Location ID # 318806 to reduce the amount of surface disturbance.
Drilling/Completion Operations	604c.(2).L. Drill Stem Tests: No drill stem tests are planned and none will be performed without prior approval from the Director.
Planning	604c.(2).R. Tank Specifications: Two 500 barrel skid-mounted frac tanks will be temporarily placed on-site for use of the pre-spud rig only. One tank will store water and the other will store water based mud.
Traffic control	604c.(2).D. Traffic Plan: If required by the local government, a traffic plan will be coordinated with the local jurisdiction prior to commencement of operations.
Noise mitigation	604c.(2).A. Noise: Sound mitigation barriers (hay bales) will be placed along the southern, southwestern and eastern sides of the pad location to damper noise during drilling and completions to the nearby residences and to Weld County Roads 10 and 19. Sound surveys that have been conducted on each rig type are utilized to anticipate any additional noise mitigation once a drilling rig is determined.
General Housekeeping	604c.(2).O. Loadlines: All loadlines shall be bullplugged or capped.
Material Handling and Spill Prevention	604c.(2).W. Site-Specific Measures: KMG maintains a Stormwater Management Plan that assesses erosion control for every KMG operated location. This well pad will be added to this plan once construction begins. This plan is updated every fourteen (14) days and after any major weather event.
Planning	604c.(2).E. Multiwell Pads: In order to reduce surface impact, this application is for a three-well pad.
Planning	604c.(2).Q. Guy Line Anchors: Should guy line anchors be left buried for future use, they shall be identified by a bright marker greater than four (4) feet high and no more than one (1) foot east of the guy line anchor.
Drilling/Completion Operations	604c.(2).J. BOPE for Well Servicing Operations: Blowout prevention equipment will be used on any servicing operations associated with this well. Backup stabbing valves will be used during any future servicing operations during reverse circulation. Valves shall be pressure tested before each well servicing operation using low-pressure air and high-pressure fluid.
Drilling/Completion Operations	604c.(2).B. Closed Loop Drilling System: KMG will use a closed loop or "pitless" system for drilling and fluid management and will not construct a reserve pit.
Material Handling and Spill Prevention	604c.(2).N. Control of Fire Hazards: KMG and its contractors will employ best management practices during the drilling and production of its wells and facilities and will comply with appropriate COGCC rules concerning safety and fire. KMG will ensure that any material that might be deemed a fire hazard will remain no less than twenty-five (25) feet from the wellhead(s), tanks and separator(s).

S/AV: _____ **Comment:** _____

CA: _____ **Date:** _____

Stormwater:

Comment: _____

Staking:

On Site Inspection (305):

Surface Owner Contact Information:

Name: _____ Address: _____

Inspector Name: Peterson, Tom

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: 436223 Type: WELL API Number: 123-38996 Status: PR Insp. Status: PR

Producing Well

Comment: PR

BradenHead

Comment: Bradenhead is exposed at surface.

CA: _____

CA Date: _____

Facility ID: 436224 Type: WELL API Number: 123-38997 Status: PR Insp. Status: PR

Producing Well

Comment: PR

BradenHead

Comment: Bradenhead is exposed at surface.

CA: _____

CA Date: _____

Facility ID: 436225 Type: WELL API Number: 123-38998 Status: PR Insp. Status: PR

Producing Well

Comment: PR

BradenHead

Comment: Bradenhead is exposed at surface.

CA: _____

CA Date: _____

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): Y
Comment: _____
Pilot: ON Wildlife Protection Devices (fired vessels): YES

Reclamation - Storm Water - Pit

Interim Reclamation:

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: DRY LAND

Comment: _____

1003a. Debris removed? Pass CM _____
CA _____ CA Date _____

Waste Material Onsite? Pass CM _____
CA _____ CA Date _____

Unused or unneeded equipment onsite? Pass CM _____
CA _____ CA Date _____

Pit, cellars, rat holes and other bores closed? Pass CM _____
CA _____ CA Date _____

Guy line anchors removed? Pass 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 _____

Inspector Name: Peterson, Tom

1003 f. Weeds Noxious weeds? _____

Comment: _____

Overall Interim Reclamation _____

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____

Date Final Reclamation Completed: _____

Final Land Use: DRY LAND

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
		Other	Pass			Vehicle tracking pad
Ditches	Pass	Ditches	Pass			
Gravel	Pass	Gravel	Pass	SI	Pass	

S/A/V: SATISFACTOR

Corrective Date: _____

Y _____

Comment: _____

CA: _____

Pits: NO SURFACE INDICATION OF PIT