

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:
04/27/2015

Document Number:
666900266

Overall Inspection:

ACTION REQUIRED

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>204395</u>	<u>320672</u>	<u>CHESSON, BOB</u>	<input type="checkbox"/>	

Operator Information:

OGCC Operator Number:	<u>10273</u>
Name of Operator:	<u>HRM RESOURCES LLC</u>
Address:	<u>410 17TH STREET #1100</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
Precup, Jim		james.precup@state.co.us	
Sherman, Susan		susan.sherman@state.co.us	
Prohaska, April		aprohaska@hrmresources.net	All Inspections
Axelson, John		john.axelson@state.co.us	
pape, terry	303-893-6621	tpape@hrmres.com	operation engineer

Compliance Summary:

QtrQtr: SWNE Sec: 21 Twp: 4S Range: 62W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
07/02/2014	673704619	SI	SI	ACTION REQUIRED			No
08/05/2013	668300625	SI	SI	SATISFACTORY	P		No
06/19/2013	668300385	SI	UN	ACTION REQUIRED	P		No
08/15/2012	667600678	SI	SI	SATISFACTORY	P		No
08/17/2010	200266913	RT	AC	SATISFACTORY			No
08/27/2009	200217227	RT	AC	SATISFACTORY			No
08/19/2008	200194038	RT	AC	SATISFACTORY			No
12/10/2007	200123274	RT	AC	SATISFACTORY			No
12/09/2007	200123273	MI	AC	SATISFACTORY			No
08/20/2007	200117756	RT	SI	ACTION REQUIRED			Yes
01/24/2006	200083529	MI	SI	SATISFACTORY		Pass	No
08/30/2005	200075874	MI	SI	SATISFACTORY		Pass	No
07/26/2005	200074234	RT	AC	ACTION REQUIRED		Fail	Yes
05/12/2004	200054350	MI	AC	SATISFACTORY		Pass	No
08/27/2003	200042987	MI	AC	SATISFACTORY		Pass	No
08/19/2003	200042988	RT	AC	ACTION REQUIRED		Fail	Yes
07/10/2002	200028697	RT	AC	SATISFACTORY		Pass	No

Inspector Name: CHESSON, BOB

08/19/2001	200318971	RT	SI	SATISFACTORY		No
07/11/2001	1065381	RT	AC	ACTION REQUIRED		Fail Yes
08/17/2000	896182	MI	AC	SATISFACTORY		Pass No
08/02/2000	896179	RT	AC	ACTION REQUIRED		Fail Yes
02/08/1996	500134430					

Inspector Comment:

Inspection to view fire damage at tank battery due to lightning strike on 4/26/15. Significant equipment damage at centralized water handing tank battery. One 400 BBL fibergalss tank completely destroyed. Remaining two 400 BBL tanks damaged (tops burned off). Catwalk and stairs heavily damaged and unusable. Minor damage on wooden shed adjacent to destroyed tank. Berm shows minor damage. No evidence of large volume of released water. Evidence of FFF remaining in bermed area. See attachments.No visual evidence of any oil or other E&P material released.Accident Report has been filed (400830881)

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
150110	UIC DISPOSAL	AC	12/28/1983		-	REEVES 32-21 #4	AC
204395	WELL	PR	10/27/2008	DSPW	005-06480	REEVES 32-21 4	PR

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: _____ Piggig Station: _____ Flare: _____ Fuel Tanks: _____

Location

Signs/Marker:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
BATTERY	ACTION REQUIRED	Signs on location shows Noble Energy as operator.	Install signs to comply with rule 210 showing new ownership.	05/29/2015

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

Spills:				
Type	Area	Volume	Corrective action	CA Date
<input type="checkbox"/> Multiple Spills and Releases?				

Venting:	
Yes/No	Comment

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

Predrill

Location ID: 204395

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:

Environmental

Spills/Releases:

Type of Spill: WATER Description: loss of tank due to fire Estimated Spill Volume: _____

Comment: See inspector comments.

Corrective Action: File form 19 per rule 906.b Date: 04/30/2015

Reportable: YES 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): _____

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

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: _____

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: _____ Corrective Date: _____

Comment: _____

CA: _____

Pits: NO SURFACE INDICATION OF PIT

COGCC Comments

Comment	User	Date
Inspection of fire damage did not indicate any release of E&P material outside of berm. Under Rule 906.b (1), Operators must file a spill report (Form 19) for any release of E&P material if the volume if 5 BBLs or greater even if contained in secondary containment (berm). The accident report reports that no water or oil was released and that the destroyed tank had been pumped down on the proceeding day. Please provide any load tickets showing the removal. Otherwise you are instructed to file a Form 19 Spill Report: refer to the reporting time requirements in 906.b.	chessonr	04/28/2015

Attached Documents

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

Document Num	Description	URL
666900267	Oil tanks and Noble Energy signs	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3598458
666900268	Oil storage battery	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3598459
666900269	Oil storage battery	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3598460
666900270	Tank damage	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3598461
666900271	Tank damage	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3598462

666900272	Tank damage	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3598463
666900273	Tank damage	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3598464
666900274	Tank damage	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3598465
666900275	Shed and tank damage	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3598466
666900276	Shed and tank damage	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3598467

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.)