

**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:  
673710263

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>Sherman, Susan</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
Pape, Terry	(970) 768-5700	tpape@hrmres.com	
Axelson, John		john.axelson@state.co.us	COGCC Environmental Specialist Supervisor
Ikenouye, Teri		teri.ikenouye@state.co.us	COGCC Production
Chesson, Bob		robert.chesson@state.co.us	
Hutson, L. Roger	(303) 893-6621	lrhutson@hrmres.com	

**Compliance Summary:**

QtrQtr:	Sec:	Twp:	Range:	Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
SWNE	21	4S	62W	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

Inspector Name: Sherman, Susan

07/10/2002	200028697	RT	AC	SATISFACTORY	Pass	No
08/19/2001	200318971	RT	SI	SATISFACTORY		No
07/11/2001	1065381	RT	AC	<b>ACTION REQUIRED</b>	<b>Fail</b>	Yes
08/17/2000	896182	MI	AC	SATISFACTORY	Pass	No
08/02/2000	896179	RT	AC	<b>ACTION REQUIRED</b>	<b>Fail</b>	Yes
02/08/1996	500134430					

**Inspector Comment:**

A Form 22, Accident Report, #400830881, was received from HRM on 4/27/2015 about a lightning strike caused fire at the Reeves 32-21, 005-06480, salt water injection tank battery that occurred on 4/26/2015. Inspection photos taken 4/27/2015 are attached. HRM's Reeves 32-21 #4 tank battery was inspected on 4/27/2015. The southern most 400 BBL, produced water, fiberglass above ground storage tank (emptied previous day per operator) burned to the ground. Two other produced water tanks (also 400 BBL, fiberglass above ground storage tanks) had some fluids in them and their tops were burned off. A tin shed and catwalk/stairs near the southern burned tank were also damaged. Earthen berms contained water (fire water and rainwater). The berm was breached (erosion rill formed) in a small area under the wooden platform next to the blue trailer on the west side of battery at time of inspection and was repaired by operator on 4/27/2015. Small amounts of oil sheens were noted next to standing tank walls inside berms. Stand pipe on N side of battery may be damaged. No damage was observed to outside of 100 BBL fiberglass tank on the NW corner of battery and propane tank on the SW corner was not damaged. Well 005-06480, ~1200' west, was shut in per operator. Well 005-06470, N, is also shut in. Trailer park located ~800' east across highway.

**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: \_\_\_\_\_ Pigging Station: \_\_\_\_\_ Flare: \_\_\_\_\_ Fuel Tanks: \_\_\_\_\_

**Location**

**Lease Road:**

Type	Satisfactory/Action Required	comment	Corrective Action	Date
Access	SATISFACTORY	muddy		

**Signs/Marker:**

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
BATTERY	<b>ACTION REQUIRED</b>	Update operator and emergency contact information.	Install sign to comply with rule 210.	<b>05/29/2015</b>
CONTAINERS	<b>ACTION REQUIRED</b>	label propane tank (see previous inspection)	Install sign to comply with rule 210.	<b>05/29/2015</b>

Emergency Contact Number (S/A/V): ACTION Corrective Date: 05/29/2015

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

Corrective Action: **Install new operator sign that includes emergency contact number.**

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

<b>Equipment:</b>					
Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Ancillary equipment	7		Triplex pump in tin shed, large orange pump on west platform, small blue pump on east side of tin shed, concrete pad east of berm, stand pipe, wooden platform and blue storage trailer		

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

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	3	300 BBLS	FIBERGLASS AST	39.689594,-104.324766
S/A/V:	ACTION REQUIRED		Comment: Submit time schedule for repair/replacement.	
Corrective Action:	Repair/replace damaged equipment.			Corrective Date: 07/31/2015

**Paint**

Condition	
Other (Content)	_____
Other (Capacity)	_____
Other (Type)	_____

**Berms**

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Inadequate	Walls Sufficient	Base Sufficient	Inadequate
Corrective Action	Berm near wooden platform and blue trailer was breached. Operator fixed breach on 4/27/2015 when asked.			Corrective Date 04/27/2015
Comment				

**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/AV:** \_\_\_\_\_

Corrective Action: \_\_\_\_\_ Date: \_\_\_\_\_ CDP Num.: \_\_\_\_\_

**Form 2A COAs:**

**S/AV:** \_\_\_\_\_ **Comment:** \_\_\_\_\_

**CA:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Wildlife BMPs:**

**S/AV:** \_\_\_\_\_ **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: 204395 Type: WELL API Number: 005-06480 Status: PR Insp. Status: PR

**Producing Well**

Comment: Dec 2014 last reported to COGCC database. Update production records.

**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: \_\_\_\_\_

Comment: open range, Nunn-Bresser-Ascalon complex soil type

- 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? \_\_\_\_\_

Inspector Name: Sherman, Susan

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
Gravel	Pass	Gravel	Pass			
Compaction	Pass					

S/A/V: SATISFACTOR Corrective Date: \_\_\_\_\_  
Y \_\_\_\_\_

Comment: Road muddy. MSDS sheets at battery.

CA:

Pits:  NO SURFACE INDICATION OF PIT

**COGCC Comments**

Comment	User	Date
Operator to submit Form 42 when equipment is repaired/replaced. See 4/27/2015 inspection 6669000266 for COGCC Environmental Specialist's inspection.	ShermaSe	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
673710272	HRM Reeves 32-21	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3599192">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3599192</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.)