

**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:
04/27/2015Document Number:
673710263

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

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

Operator Information:OGCC Operator Number: 10273Name of Operator: HRM RESOURCES LLCAddress: 410 17TH STREET #1100City: DENVER State: CO Zip: 80202

- ☐ 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: 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

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07/10/2002	200028697	RT	AC	SATISFACTORY		Pass	No
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:

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	<input type="checkbox"/>
204395	WELL	PR	10/27/2008	DSPW	005-06480	REEVES 32-21 4	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**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	ACTION REQUIRED	Update operator and emergency contact information.	Install sign to comply with rule 210.	05/29/2015
CONTAINERS	ACTION REQUIRED	label propane tank (see previous inspection)	Install sign to comply with rule 210.	05/29/2015

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

Corrective Date: 05/29/2015

Comment:

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

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

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 _____

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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? _____

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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
Y

Corrective Date:

Comment:

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	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3599192

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.)