

**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:

03/21/2015

Document Number:

669300195

Overall Inspection:

ALLEGED VIOLATION**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	436006	436007	NEIDEL, KRIS	<input type="checkbox"/>	

Operator Information:OGCC Operator Number: 10450Name of Operator: EE3 LLCAddress: 4410 ARAPAHOE AVENUE #100City: BOULDER State: CO Zip: 80303

- ☐ 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
Ashby, Andy		aashby@ee3llc.com	
McClure, Rich		rmcclure@ee3llc.com	
Waldron, Emily		emily.waldron@state.co.us	
Fischer, Alex		alex.fischer@state.co.us	

Compliance Summary:

QtrQtr:	<u>NENW</u>	Sec:	<u>32</u>	Twp:	<u>8N</u>	Range:	<u>80W</u>
Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
09/12/2014	673401107	DG	WK	ACTION REQUIRED			No
07/30/2014	673400947	XX	DG	ACTION REQUIRED			No
07/24/2014	673400878	XX	DG	ACTION REQUIRED			No
05/09/2011	200311528	PR	SI	SATISFACTORY	I		No
11/09/2006	200098943	PR	PR	SATISFACTORY	I	Pass	No

Inspector Comment:

On March 26, 2015 COGCC Environmental Staff (Kris Neidel) conducted an inspection at the Grizzly 3-32H, Location number 436007 and to collect samples of the cuttings being stored on Location. COGCC staff collected samples of cuttings stored on Location and submitted the samples to a laboratory for analyses to determine constituent concentrations and compare to Table 910-1. The results of the cuttings samples are attached. The cuttings were found to exceed COGCC table 910-1 concentrations for: TPH, SAR and EC. Cuttings were observed to be outside of the berm in some locations. Cuttings shall be bermed around the entire area(s) of the stock pile with clean material to prevent stormwater run on and run off and tracking of E&P Waste across and off of the Location. By May 1, 2015, Operator shall submit a waste management plan to COGCC environmental staff that addresses the cuttings management with time schedule and final disposition of the E&P Waste material. The plan shall address berms and other appropriate BMPs, frequency of maintenance, etc. Weekly documentation of the cuttings management shall be submitted to the COGCC until the cuttings have been appropriately disposed. Also by May 1, 2015 operator should provide to COGCC environmental staff, initial cuttings analytical, on 12/17/2014 COGCC staff was told we would receive cuttings analytical "ASAP", analytical has yet to be received by staff. Operator should ensure any actions required from previous inspections are completed, and the status of this inspection does not necessary address previous required action required.

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
436006	WELL	WO	07/16/2014	LO	057-06523	Grizzly 3-32H	EI	<input checked="" type="checkbox"/>

Equipment:Location Inventory

Inspector Name: NEIDEL, KRIS

Special Purpose Pits: 1	Drilling Pits: _____	Wells: 1	Production Pits: _____
Condensate Tanks: _____	Water Tanks: 2	Separators: 2	Electric Motors: 2
Gas or Diesel Motors: _____	Cavity Pumps: _____	LACT Unit: _____	Pump Jacks: 2
Electric Generators: _____	Gas Pipeline: _____	Oil Pipeline: _____	Water Pipeline: _____
Gas Compressors: _____	VOC Combustor: _____	Oil Tanks: 8	Dehydrator Units: _____
Multi-Well Pits: _____	Pigging Station: _____	Flare: 1	Fuel Tanks: _____

Location**Signs/Marker:**

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
WELLHEAD	SATISFACTORY			

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

Corrective Date: _____

Comment: _____

Corrective Action: _____

Spills:

Type	Area	Volume	Corrective action	CA Date
Crude Oil	Valve	<= 5 bbls	soil from spill has been moved to a bermed area near cuttings storage. berm was made of E&P waste. soil and berm should be included waste management plan.	05/01/2015

☐ Multiple Spills and Releases?**Facilities:**☐ New Tank

Tank ID: _____

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	1	400 BBLS	HEATED 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
Earth	Adequate	Walls Sufficient	Base Sufficient	Adequate

Corrective Action: _____

Corrective Date: _____

Comment: _____

Facilities:☐ New Tank

Tank ID: _____

Contents	#	Capacity	Type	SE GPS
CONDENSATE	1	400 BBLS	STEEL AST	,

S/A/V: SATISFACTORY

Comment: _____

Corrective Action: _____

Corrective Date: _____

Inspector Name: NEIDEL, KRIS

<u>Paint</u>				
Condition	Adequate			
Other (Content) _____				
Other (Capacity) _____				
Other (Type) _____				
<u>Berms</u>				
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate	Walls Sufficient	Base Sufficient	Adequate
Corrective Action				Corrective Date
Comment				

<u>Venting:</u>		
Yes/No	Comment	

<u>Flaring:</u>				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Predrill

Location ID: 436006

Site Preparation:

Lease Road Adeq.: _____ Pads: _____ Soil Stockpile: _____

S/A/V:

Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:

Group	User	Comment	Date
OGLA	kubeczkd	<p>Operator must implement best management practices to contain any unintentional release of fluids, including any fluids conveyed via temporary surface pipelines or buried permanent pipelines.</p> <p>Operator must ensure secondary containment for any volume of fluids contained at well site during drilling and completion operations (as described in and shown on the Proposed BMPs attachment); including, but not limited to, construction 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 maintained in good condition.</p> <p>The access road will be constructed and 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 enforcing 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 protection) to contain any spilled or released material around crude oil, condensate, and produced water storage tanks; or other chemical storage tanks.</p>	01/16/2014

Permit	freemans	Rule 317.o Open hole resistivity and gamma logs shall be run to describe the stratigraphy of the entire well bore and to adequately verify the setting depth of surface casing and aquifer coverage. On a multi-well pad, these open hole logs are only required on one of the first wells drilled on the pad and the Form 5 for every well on the pad shall identify which well was logged.	01/02/2014
OGLA	kubeczkd	Notify the COGCC 48 hours prior to start of pad construction, rig mobilization, spud, and start of hydraulic stimulation operations using Form 42 (the appropriate COGCC individuals will automatically be email notified, including the LGD for hydraulic stimulation operations). As required for Groundwater Baseline Sampling; Operator shall comply with Rule 609. STATEWIDE GROUNDWATER BASELINE SAMPLING AND MONITORING.	01/16/2014
OGLA	kubeczkd	A closed loop system (which operator has indicated on the Form 2A) must be implemented during drilling. The moisture content of any cuttings in a cuttings pit, trench, or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts. At the time of closure, if the drill cuttings are to be left onsite, they must also meet the applicable standards of table 910-1. Flowback and stimulation fluids must be sent to tanks, separators, or other containment/filtering equipment before the fluids can be placed into any pipeline, storage vessel, or lined pit (only if an amended Form 2A has been submitted/approved and a Form 15 Earthen Pit Permitted has been submitted/approved) 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 with additional downgradient perimeter berming. The area where flowback fluids will be stored/reused must be constructed to be sufficiently impervious to contain any spilled or released material.	01/16/2014

S/A/V: _____ Comment: _____

CA: _____ Date: _____

Wildlife BMPs:

BMP Type	Comment
Storm Water/Erosion Control	EE3 will implement a storm water and erosion plan to prevent sedimentation and erosion in the nearby wetlands.
Wildlife	1. Use hospital grade mufflers for compressors, pump jacks, or other motors necessary to run operations at the site. Mufflers will be pointed upward to dissipate potential vibration. 2. Install and utilize bear-proof dumpsters and trash receptacles for all food-related trash on location, following COGCC Rule 1204 a-1.

S/A/V: _____ Comment: _____

CA: _____ Date: _____

Stormwater:

Erosion BMPs	Present	Other BMPs	Present

S/A/V: _____

Corrective Action: _____ Date: _____

Comments: Erosion BMPs: _____

Other BMPs: _____

Comment: _____

Staking:**On Site Inspection (305):**

Inspector Name: NEIDEL, KRIS

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: 436006 Type: WELL API Number: 057-06523 Status: WO Insp. Status: EI

Producing Well

Comment: _____

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): _____

Comment: _____

Pilot: _____ Wildlife Protection Devices (fired vessels): _____

Reclamation - Storm Water - Pit

Interim Reclamation:

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

Land Use: HAY MEADOW, OTHER

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: HAY MEADOW, OTHER _____

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: _____

Inspector Name: NEIDEL, KRIS

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
Seeding	Pass	Ditches				
Compaction	Fail	Compaction	Fail			road and pad soft and rutted.

S/A/V: Corrective Date:

Comment:

CA:

Pits: ☐ NO SURFACE INDICATION OF PIT

Attached Documents

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

Document Num	Description	URL
669300195	INSPECTION APPROVED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3592536