

**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

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Inspection Date:
05/15/2015Document Number:
673802059

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	435083	435083	Gomez, Jason	<input type="checkbox"/>	

Operator Information:OGCC Operator Number: 10459Name of Operator: EXTRACTION OIL & GAS LLCAddress: 1888 SHERMAN ST #200City: DENVER State: CO Zip: 80203

- ☐ 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
		COGCCinspections@extracti onog.com	

Compliance Summary:QtrQtr: SWSW Sec: 23 Twp: 6N Range: 67W**Inspector Comment:****Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
435181	WELL	DG	08/12/2014	LO	123-38498	DIAMOND VALLEY EAST 5	DG	<input checked="" type="checkbox"/>
435182	WELL	DG	12/21/2013	LO	123-38499	DIAMOND VALLEY EAST 4	DG	<input checked="" type="checkbox"/>
435183	WELL	DG	07/31/2014	LO	123-38500	DIAMOND VALLEY EAST 3	DG	<input checked="" type="checkbox"/>
435290	WELL	DG	01/01/2014	LO	123-38564	DIAMOND VALLEY EAST 11	DG	<input checked="" type="checkbox"/>
435291	WELL	DG	12/21/2013	LO	123-38565	DIAMOND VALLEY EAST 1	DG	<input checked="" type="checkbox"/>
435292	WELL	DG	10/14/2014	LO	123-38566	DIAMOND VALLEY EAST 2	DG	<input checked="" type="checkbox"/>
435293	WELL	DG	12/21/2013	LO	123-38567	DIAMOND VALLEY EAST 7	DG	<input checked="" type="checkbox"/>
435294	WELL	DG	08/15/2014	LO	123-38568	DIAMOND VALLEY EAST 6	DG	<input checked="" type="checkbox"/>
435729	WELL	DG	08/23/2014	LO	123-38760	DIAMOND VALLEY EAST 9	DG	<input checked="" type="checkbox"/>
435730	WELL	DG	03/01/2014	LO	123-38761	DIAMOND VALLEY EAST 10	DG	<input checked="" type="checkbox"/>
436581	WELL	DG	08/19/2014		123-39183	DIAMOND VALLEY EAST 8	DG	<input checked="" type="checkbox"/>
439097	WELL	DG	11/12/2014		123-40317	DIAMOND VALLEY EAST 13	DG	<input checked="" type="checkbox"/>

439098	WELL	DG	10/27/2014		123-40318	DIAMOND VALLEY EAST 12	DG	<input checked="" type="checkbox"/>
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Equipment:Location Inventory

Special Purpose Pits: _____	Drilling Pits: _____	Wells: <u>13</u>	Production Pits: _____
Condensate Tanks: <u>8</u>	Water Tanks: <u>4</u>	Separators: <u>4</u>	Electric Motors: _____
Gas or Diesel Mortors: _____	Cavity Pumps: _____	LACT Unit: _____	Pump Jacks: _____
Electric Generators: _____	Gas Pipeline: _____	Oil Pipeline: _____	Water Pipeline: _____
Gas Compressors: _____	VOC Combustor: <u>10</u>	Oil Tanks: _____	Dehydrator Units: _____
Multi-Well Pits: _____	Pigging Station: _____	Flare: _____	Fuel Tanks: _____

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

Corrective Date: _____

Comment: _____

Corrective Action: _____

Spills:

Type	Area	Volume	Corrective action	CA Date
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☐ Multiple Spills and Releases?**Venting:**

Yes/No	Comment
NO	

Flaring:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

PredrillLocation ID: 435083**Site Preparation:**

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

S/A/V: _____

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

Form 2A COAs:

Group	User	Comment	Date
OGLA	andrewsd	"This oil and gas location is permitted for production and oil and gas operations associated with the onsite wells. Management of produced fluids or E&P Waste from off site is not permitted without submittal of an amended Form 2A first.	11/15/2013
OGLA	andrewsd	Operator must implement site-specific best management practices in accordance with good engineering practices, including, but not limited to, construction of a berm or diversion dike, site grading, or other comparable measures, sufficient to protect the irrigation ditches located 150 feet west and 550 feet east of the oil and gas location from a release of drilling, completion, produced fluids, and chemical products.	11/15/2013

S/A/V: _____ **Comment:** _____**CA:** _____ **Date:** _____**Wildlife BMPs:**

BMP Type	Comment
Material Handling and Spill Prevention	Tank specifications. Tanks will be designed, constructed and maintained in accordance with NFPA Code 30. The tanks are visually inspected once a day for issues, and recorded inspections are conducted once a month.
Planning	Multi-well Pads. It is a multi-well pad located in a manner which allows for resource extraction while maintaining the highest distances possible from the offsetting residential areas.
Drilling/Completion Operations	Guy line anchors. All guy line anchors shall be brightly marked pursuant to Rule 604.c(2)Q
Drilling/Completion Operations	Closed Loop Drilling Systems – Pit Restrictions. Not applicable; a closed-loop system will be used for drilling.
Drilling/Completion Operations	BOPE for well servicing operations. Adequate BOP equipment shall be used. Stabbing valves shall be installed in the event of reverse circulation and shall be prior tested with low and high pressure fluid.
Final Reclamation	Well site cleared. Within 90-day subsequent to the time of plugging and abandonment of the entire site, superfluous debris and equipment shall be removed from the site.
Traffic control	Access roads. The access road will be constructed to accommodate local emergency vehicles. This road will be maintained for access at all times
Material Handling and Spill Prevention	Leak Detection Plan. Pumper will visit the location daily and visually inspect all tanks and fittings for leaks. Additionally, monthly documented SPCCP inspections are conducted pursuant to 40 CFR §112.
Drilling/Completion Operations	Drill stem tests. Not applicable; no Drill Stem tests are planned.
Drilling/Completion Operations	Green Completions – Emission Control Systems. Test separators and associated flow lines and sand traps shall be installed on-site to accommodate Green completions techniques pursuant to COGCC Rules. In the anticipated absence of a viable gas sales line, the flowback gas shall be thermally oxidized in an emissions control device (ECD), which will be installed and kept in operable condition for least the first 90-days of production pursuant to CDPHE rules. This ECD shall have an adequate capacity for 1.5 times the largest flowback within a 10 mile radius, will be flanged to route gas to other or permanent oxidizing equipment and shall be provided with the equipment needed to maintain combustion where non-combustible gases are present.
Drilling/Completion Operations	Blowout preventer equipment (“BOPE”). A double ram and annular preventer will be used during drilling. At least the drilling company shall have a valid well blowout prevention certifications.
Material Handling and Spill Prevention	Berm construction. Tank berms shall be constructed of steel rings with a synthetic or engineered liner and designed to contain 150% of the capacity of the largest tank. All berms will be visually checked periodically to ensure proper working condition.
Material Handling and Spill Prevention	Loadlines. All loadlines shall be bullplugged or capped.
Drilling/Completion Operations	Control of fire hazards. All materials which are considered fire hazards shall be a minimum of 25' from the wellhead tanks or separators. Electrical equipment shall comply with API RP 500 and will comply with the current national electrical code. An emergency response plan has been generated for this site, please see the attached “EMERGENCY RESPONSE AND FIRE PROTECTION PLAN: DIAMOND VALLEY EAST LOCATION”
Noise mitigation	Lighting abatement measures shall be implemented, including the installation lighting shield devices on all of the more conspicuous lights, low density sodium lighting where practicable; and rig shrouding is not believed necessary as this is an industrial area and the only building unit within 1,000' is owned by the operator, however, at its election the operator may install temporary engineering controls consisting of perimeter sound walls shall be used on the location during drilling and completion activities to provide noise relief. Permanent equipment on location shall be muffled to reduce noise, or shall be appropriately buffered.
Final Reclamation	Identification of plugged and abandoned wells. P&A'd wells shall be inditified persuant to 319.a. (5).
Traffic control	Traffic Plan. Traffic plans will be reviewed with the Town of Windsor in order to minimize impact to streets and residents

Inspector Name: Gomez, Jason

General Housekeeping	Removal of surface trash. All trash, debris and material not intrinsic to the operation of the oil and gas facility shall be removed and legally disposed of as applicable.
General Housekeeping	Fencing requirements. A permanent fencing plan will be reviewed by the surface owner, the applicant.
Drilling/Completion Operations	Pit level indicators. Not applicable; a closed-loop system will be used and no pits shall be dug.

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: 435181 Type: WELL API Number: 123-38498 Status: DG Insp. Status: DG

ComplaintComment: **Complaint #: 200432410****Field Inspector Assigned: Gomez, Jason****Complaint Received:****Date: 5/14/2015 Time (Military):****Contacted by Inspector:****Date: 05/14/2015 Time (Military):****Well Number: 05-Choose an item.-Click here to enter text. Location #: 435083****Inspection Document #: 673802059****Complainant: Jim & Margaret Matthews Phone: 970-686-7748****Address: 10624 HWY 392 Windsor, CO 80550****Nature of complaint: Noise****Field Inspector Actions:**

On 5-14-2015 I was contacted by COGCC complaint Dept in reference to a noise complaint at the Diamond Valley location in Windsor. I contacted the complaint who indicated they were being woken up by load noise coming from the fracking operation on the location. The complaint asked me if I could check on the noise on 5-15-2015 as the complaint had a meeting on the evening of 5-14-2015. I advised the complaint I would be going to the location in the morning to perform a sound study. Upon arriving at the location I observed the Frac crew from Liberty frac company rigging down and leaving the location. A inspection of the location found no COGCC rules violations.

Facility ID:	<u>435182</u>	Type:	<u>WELL</u>	API Number:	<u>123-38499</u>	Status:	<u>DG</u>	Insp. Status:	<u>DG</u>
Facility ID:	<u>435183</u>	Type:	<u>WELL</u>	API Number:	<u>123-38500</u>	Status:	<u>DG</u>	Insp. Status:	<u>DG</u>
Facility ID:	<u>435290</u>	Type:	<u>WELL</u>	API Number:	<u>123-38564</u>	Status:	<u>DG</u>	Insp. Status:	<u>DG</u>
Facility ID:	<u>435291</u>	Type:	<u>WELL</u>	API Number:	<u>123-38565</u>	Status:	<u>DG</u>	Insp. Status:	<u>DG</u>
Facility ID:	<u>435292</u>	Type:	<u>WELL</u>	API Number:	<u>123-38566</u>	Status:	<u>DG</u>	Insp. Status:	<u>DG</u>
Facility ID:	<u>435293</u>	Type:	<u>WELL</u>	API Number:	<u>123-38567</u>	Status:	<u>DG</u>	Insp. Status:	<u>DG</u>
Facility ID:	<u>435294</u>	Type:	<u>WELL</u>	API Number:	<u>123-38568</u>	Status:	<u>DG</u>	Insp. Status:	<u>DG</u>
Facility ID:	<u>435729</u>	Type:	<u>WELL</u>	API Number:	<u>123-38760</u>	Status:	<u>DG</u>	Insp. Status:	<u>DG</u>
Facility ID:	<u>435730</u>	Type:	<u>WELL</u>	API Number:	<u>123-38761</u>	Status:	<u>DG</u>	Insp. Status:	<u>DG</u>
Facility ID:	<u>436581</u>	Type:	<u>WELL</u>	API Number:	<u>123-39183</u>	Status:	<u>DG</u>	Insp. Status:	<u>DG</u>
Facility ID:	<u>439097</u>	Type:	<u>WELL</u>	API Number:	<u>123-40317</u>	Status:	<u>DG</u>	Insp. Status:	<u>DG</u>
Facility ID:	<u>439098</u>	Type:	<u>WELL</u>	API Number:	<u>123-40318</u>	Status:	<u>DG</u>	Insp. Status:	<u>DG</u>

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: IRRIGATED

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? _____

Inspector Name: Gomez, Jason

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: IRRIGATED _____

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
Berms	Pass			VT	Fail	Vehicle Tracking pad filled in with mud

S/A/V: **ACTION REQUIRED** Corrective Date: **05/15/2015**

Comment: **Vehicle tracking pad filled with mud**

CA: **Maintain BMP to comply with COGCC rules**

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
673802074	Tracking on Road	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3614138
673802075	Veh Track pad	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3614139

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.)