

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:
05/25/2015

Document Number:
669300857

Overall Inspection:

ACTION REQUIRED

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>324634</u>	<u>324634</u>	<u>NEIDEL, KRIS</u>	<input type="checkbox"/>	

Operator Information:

OGCC Operator Number:	<u>10352</u>
Name of Operator:	<u>CM PRODUCTION LLC</u>
Address:	<u>390 UNION BLVD SUITE 620</u>
City:	<u>LAKEWOOD</u> State: <u>CO</u> Zip: <u>80228</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
Gowen, Peter		peter.gowen@state.co.us	
Teff, John		JohnT@CMProductionllc.com	
Fischer, Alex		alex.fischer@state.co.us	
Camper, Grady	719-371-2283	grady@cmproductionllc.com	

Compliance Summary:

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
03/18/2015	677900027			ACTION REQUIRED			No
11/07/2014	669300157			ACTION REQUIRED			No
10/21/2013	669300772			SATISFACTORY			No
05/30/2012	662300564			ACTION REQUIRED			No
05/01/2012	662300454			SATISFACTORY			No
04/11/2012	662300401			SATISFACTORY			No
04/02/2012	662300395			SATISFACTORY			No
01/11/2012	667100002			ACTION REQUIRED			No
01/03/2012	662300113			ALLEGED VIOLATION			Yes

Inspector Comment:

On March 25, 2015 COGCC Environmental Staff (Kris Neidel) conducted an environmental field inspection of CM Productions LLC Pit Complex Facility (Location ID: 324634, Pit Facility IDs 112265, 112266, 112267, 112268, 112269, and 115241). The Facility and Field are SI at this time. Trash (placard(s) for peroxide totes (Pit Facility 115241), sorbent booms (used and unused near Pit Facility 112265). Stock pile of E&P waste treated soil) immediately west of pits is not bermed to prevent runoff across lease road and Location. UIC well is not on line. All Pit Facilities are secured within fenced areas.

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
112265	PIT	AC			-	SPAULDING BATTERY (15 WELLS)	EI

112266	PIT	AC			-	SPAULDING BATTERY (15 WELLS)	EI	<input checked="" type="checkbox"/>
112267	PIT	AC			-	SPAULDING BATTERY (15 WELLS)	EI	<input checked="" type="checkbox"/>
112268	PIT	AC			-	SPAULDING BATTERY (15 WELLS)	EI	<input checked="" type="checkbox"/>
112269	PIT	AC			-	SPAULDING BATTERY (15 WELLS)	EI	<input checked="" type="checkbox"/>
115241	PIT	AC			-	SPAULDING "B" 1-15	EI	<input checked="" type="checkbox"/>
150081	UIC DISPOSAL	AC	01/15/1985		-	SPAULDING 4-B	AC	<input type="checkbox"/>
212138	WELL	PR	02/01/2011	OW	057-06031	MARGARET SPAULDING 4	PR	<input type="checkbox"/>
212154	WELL	SI	06/15/1984	DSPW	057-06047	MARGARET SPAULDING 4-B	SI	<input type="checkbox"/>
212215	WELL	SI	08/01/2014	OW	057-06108	MARGARET SPAULDING 14	SI	<input type="checkbox"/>
324634	LOCATION	AC			-	MARGARET SPAULDING-69N81W 28SWSE	EI	<input checked="" type="checkbox"/>
420409	NONFACILITY		11/18/2010		-	LONE PINE TREATMENT PITS		<input type="checkbox"/>
427281	TANK BATTERY	AC	01/10/2012		-	M. SPAULDING CENTRALIZED TANK BATT 1	AC	<input type="checkbox"/>

Equipment: Location Inventory

Special Purpose Pits: _____	Drilling Pits: _____	Wells: _____	Production Pits: _____
Condensate Tanks: _____	Water Tanks: _____	Separators: _____	Electric Motors: _____
Gas or Diesel Motors: _____	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

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: 324634

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: 112265 Type: PIT API Number: - Status: AC Insp. Status: EI

Facility ID: 112266 Type: PIT API Number: - Status: AC Insp. Status: EI

Facility ID: 112267 Type: PIT API Number: - Status: AC Insp. Status: EI

Facility ID: 112268 Type: PIT API Number: - Status: AC Insp. Status: EI

Facility ID: 112269 Type: PIT API Number: - Status: AC Insp. Status: EI

Facility ID: 115241 Type: PIT API Number: - Status: AC Insp. Status: EI

Facility ID: 324634 Type: LOCATION API Number: - Status: AC Insp. Status: EI

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:

Waste Management:

Type	Management	Condition	Comment	GPS (Lat)	(Long)
Oily Soil	Pits	Inadequate	Stock pile of E&P waste (treated soil) immediately west of pits is not bermed to prevent runoff across leaseroad and 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: ACTION REQUIRED Corrective Date: 04/07/2015

Comment: Stock pile of E&P waste (treated soil) immediately west of pits is not bermed to prevent runoff across lease road and Location.

CA: Berm with clean material and maintain berms to prevent runoff across lease road(s) and Location.

Pits: NO SURFACE INDICATION OF PIT

Pit Type: Produced Water Lined: YES Pit ID: 112268 Lat: 40.717751 Long: -106.499514

Lining:

Liner Type: _____ Liner Condition: _____

Comment: _____

Fencing:

Fencing Type: _____ Fencing Condition: _____

Comment: all facilities are secured within fenced areas.

Netting:

Netting Type: _____ Netting Condition: _____

Comment: _____

Anchor Trench Present: _____ Oil Accumulation: _____ 2+ feet Freeboard: _____

Pit (S/A/V): _____ Comment: An approximate 30' dia area of fluid in bottom of pit with visual staining on fluid surface

Corrective Action: Refer to Supplemental Form 27 Document # 1642189 for Conditions of Approval and Corrective Action Date. Date: _____

Pit Type: Produced Water Lined: _____ Pit ID: 112265 Lat: 40.717314 Long: -106.497911

Lining:

Liner Type: _____ Liner Condition: _____

Comment: _____

Fencing:

Fencing Type: _____ Fencing Condition: _____

Comment: _____

Netting:

Netting Type: _____ Netting Condition: _____

Comment: _____

Anchor Trench Present: _____ Oil Accumulation: _____ 2+ feet Freeboard: _____

Pit (S/A/V): _____ Comment: Visual signs of hydrocarbons on pit walls, netted. Pit has approximately 1 foot of water in it.

Corrective Action: Refer to Supplemental Form 27 Document # 1642189 for Conditions of Approval and Corrective Action Date. Date: 04/01/2015

Pit Type: Produced Water Lined: _____ Pit ID: 112266 Lat: 40.717034 Long: -106.497960

Lining:

Liner Type: _____ Liner Condition: _____

Comment: _____

Fencing:

Fencing Type: _____ Fencing Condition: _____

Comment: _____

Netting:

Netting Type: _____ Netting Condition: _____

Comment: _____

Anchor Trench Present: _____ Oil Accumulation: _____ 2+ feet Freeboard: _____

Pit (S/A/V): _____ Comment: Visual signs of hydrocarbons on water surface, and visual staining of hydrocarbons along sides of pit. Approximately 4-feet of water in the pit. active aeration ongoing in water.

Corrective Action: Refer to Supplemental Form 27 Document # 1642189 for Conditions of Approval and Corrective Action Date. Date: 04/03/2015

Pit Type: Skimming/Settling Lined: NO Pit ID: 115241 Lat: 40.717386 Long: -106.498280

Lining:

Liner Type: _____ Liner Condition: _____

Comment: liner was removed in previous remediation.

Fencing:

Fencing Type: _____ Fencing Condition: _____

Comment: All Pit Facilities are secured within fenced areas.

Netting:

Netting Type: _____ Netting Condition: _____

Comment: _____

Anchor Trench Present: _____ Oil Accumulation: _____ 2+ feet Freeboard: _____

Pit (S/A/V): _____ Comment: **erosion from tank battery area down pit wall.**

Corrective Action: **prevent run-off from tank battery area and erosion on pit wall** Date: **06/05/2015**

Pit Type: Produced Water Lined: _____ Pit ID: 112269 Lat: 40.718083 Long: -106.499402

Lining:

Liner Type: _____ Liner Condition: _____

Comment: _____

Fencing:

Fencing Type: _____ Fencing Condition: _____

Comment: _____

Netting:

Netting Type: _____ Netting Condition: _____

Comment: _____

Anchor Trench Present: _____ Oil Accumulation: _____ 2+ feet Freeboard: _____

Pit (S/A/V): _____ Comment: **An approximate 10' by 20' area of fluid in bottom of pit with visual staining on fluid surface and visual staining of hydrocarbons along sides of pit.**

Corrective Action: **Refer to Supplemental Form 27 Document # 1642189 for Conditions of Approval and Corrective Action Date.** Date: **04/03/2015**

Pit Type: Produced Water Lined: _____ Pit ID: 112267 Lat: 40.717130 Long: -106.498386

Lining:

Liner Type: _____ Liner Condition: _____

Comment: _____

Fencing:

Fencing Type: _____ Fencing Condition: _____

Comment: All Pit Facilities are secured within fenced areas.

Netting:

Netting Type: _____ Netting Condition: _____

Comment: _____

Anchor Trench Present: _____ Oil Accumulation: _____ 2+ feet Freeboard: _____

Pit (S/A/V): _____ Comment: **Visual staining of hydrocarbons along sides of pit. Approximately 2-feet of fluid in the pit.**

Corrective Action: **Refer to Supplemental Form 27 Document # 1642189 for Conditions of Approval and Corrective Action Date.** Date: **04/01/2015**

Attached Documents

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

Document Num	Description	URL
669300857	INSPECTION APPROVED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3616578

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.)