

Inspector Name: Peterson, Tom

**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

Inspection Date:
07/22/2015Document Number:
680700197

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	240972	321500	Peterson, Tom	<input type="checkbox"/>	

Operator Information:OGCC Operator Number: 10369Name of Operator: NATURAL RESOURCE GROUP INCAddress: 1789 W LITTLETON BLVDCity: LITTLETON State: CO Zip: 80120

- ☒ 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
Bacon, Duane	303-545-2620/303-579-6353	energyoilandgas@gmail.com	All inspections
Laired, Paul	303-419-6005	plaird@diversifiedresources.com	

Compliance Summary:QtrQtr: NWNE Sec: 26 Twp: 1N Range: 68W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
06/26/2015	670901217	PR	PR	ACTION REQUIRED			No
03/23/2011	200304512	PR	PR	ACTION REQUIRED			Yes
02/20/2003	200035415	PR	PR	SATISFACTORY		Pass	No
10/04/2001	200020497	PR	PR	ACTION REQUIRED		Fail	Yes
09/18/2001	200020222	ES	PR	ACTION REQUIRED		Fail	Yes
08/28/2001	200019794	PR	PR	ACTION REQUIRED		Fail	Yes
11/16/1998	500163320	PR	PR			Pass	No
02/11/1998	500163319	PR	PR			Fail	Yes
07/28/1996	500163318	PR	PR				
06/07/1996	500163317	PR	PR				
04/23/1996	500163316	PR	PR				
01/11/1996	500163315	PR	PR			Fail	Yes
01/10/1996	500163314	CO	PR				

Inspector Comment:**Related Facilities:**

Inspector Name: Peterson, Tom

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
240972	WELL	PR	04/01/2013	OW	014-08760	SHANNON-ROBERTS 3	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 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**Signs/Marker:**

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
TANK LABELS/PLACARDS	ACTION REQUIRED	Item noted in prior inspection document #670901217 has not been corrected. Add NFPA placarding to produced water vault. See attached photo.	Install sign to comply with rule 210.	07/31/2015
BATTERY	SATISFACTORY			
WELLHEAD	SATISFACTORY			

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

Corrective Date: _____

Comment: _____

Corrective Action: _____

Good Housekeeping:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
OTHER	SATISFACTORY	Stained soil around wellhead noted in prior inspection document #670901217 has been corrected.		

Spills:

Type	Area	Volume	Corrective action	CA Date
Crude Oil	Tank	<= 5 bbls	Item noted in prior inspection document #670901217 has not been corrected. Remove or remediate stained soil (<1 bbl) below crude oil tank load valve. Repair all leaks. See attached photo.	07/31/2015

☐ Multiple Spills and Releases?**Fencing:**

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

Inspector Name: Peterson, Tom

Facilities:		New Tank	Tank ID: _____	
Contents	#	Capacity	Type	SE GPS
CRUDE OIL		300 BBLS	STEEL AST	,
S/A/V:	SATISFACTORY		Comment:	
Corrective Action:				Corrective Date:

Paint

Condition	Adequate
-----------	----------

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	Item noted in prior inspection document #670901217 has been corrected.
---------	--

Facilities:	<input checked="" type="checkbox"/> New Tank	Tank ID: _____
--------------------	--	----------------

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER		<100 BBLS	PBV STEEL	,

S/A/V:	SATISFACTORY		Comment: 81 bbls	
--------	--------------	--	------------------	--

Corrective Action:		Corrective Date:	
--------------------	--	------------------	--

Paint

Condition	Adequate
-----------	----------

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	Item noted in prior inspection document #670901217 has been corrected.
---------	--

Venting:		
Yes/No	Comment	
NO		

Flaring:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Predrill

Location ID: 240972

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: 240972 Type: WELL API Number: 014-08760 Status: PR Insp. Status: PR

Producing Well

Comment: PR

BradenHead

Comment: Bradenhead is exposed at surface. Item noted in prior inspection document #670901217 has been corrected.

CA: _____

CA Date: _____

Environmental**Spills/Releases:**

Inspector Name: Peterson, Tom

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): N

Comment: _____

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

Reclamation - Storm Water - Pit

Interim Reclamation:

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

Land Use: _____

Comment: _____

1003a.	Debris removed?	<u> Pass </u>	CM	_____	CA Date _____
	Waste Material Onsite?	<u> Pass </u>	CM	_____	CA Date _____
	Unused or unneeded equipment onsite?	<u> Pass </u>	CM	_____	CA Date _____
	Pit, cellars, rat holes and other bores closed?	<u> Pass </u>	CM	_____	CA Date _____
	Guy line anchors removed?	<u> Pass </u>	CM	_____	CA Date _____
	Guy line anchors marked?	_____	CM	_____	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

Inspector Name: Peterson, Tom

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
Gravel	Pass	Gravel	Pass			

S/A/V: SATISFACTOR _____

Corrective Date: _____

Y

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
680700198	Crude oil tank load valve	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3648526
680700199	Produced water vault placarding	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3648527

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.)