

Inspector Name: Sherman, Susan

**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:
07/20/2015Document Number:
673710979

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	204653	320722	Sherman, Susan	<input type="checkbox"/>	

Operator Information:OGCC Operator Number: 19035Name of Operator: OVERLAND RESOURCES LLCAddress: SUITE C18 PMB 440City: GREENWOOD State: CO Zip: 80121

- ☐ 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
Chesson, Bob		robert.chesson@state.co.us	
Behrens, Vic	(303) 810-6382	behrens@netecin.net	
Anderson, Robert	(303) 800-6175	admin@overlandresourcesllc.com	

Compliance Summary:QtrQtr: SWSE Sec: 35 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)
07/30/2013	668300620	PR	SI	SATISFACTORY	P		No
01/04/2012	664000256	PR	PR	ACTION REQUIRED			No
12/29/2011	664000246	PR	PR	ACTION REQUIRED	F		No
08/05/2008	200200287	PR	PR	ACTION REQUIRED			Yes
08/01/2008	200200286	PR	PR	ACTION REQUIRED			Yes
09/04/2007	200124027	PR	PR	ACTION REQUIRED			Yes
12/05/2005	200081279	PR	PR	ACTION REQUIRED		Fail	No
12/29/1995	500134660	PR	PR			Fail	Yes

Inspector Comment:**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
109626	PIT	CL	09/23/1999		-	AMOCO CHAMPLIN 353 "A"	CL
204653	WELL	PR	03/31/2014	OW	005-06738	CHAMPLIN 353 AMOCO 1	PR

Equipment:Location Inventory

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Special Purpose Pits: _____	Drilling Pits: _____	Wells: <u>1</u>	Production Pits: _____
Condensate Tanks: _____	Water Tanks: <u>1</u>	Separators: <u>1</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: _____	Oil Tanks: <u>3</u>	Dehydrator Units: _____
Multi-Well Pits: _____	Pigging Station: _____	Flare: _____	Fuel Tanks: _____

Location

<u>Signs/Marker:</u>				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
TANK LABELS/PLACARDS	SATISFACTORY	Produced water tank needs contents label maintained due to oil running down side of tank (see attached photo).		
WELLHEAD	SATISFACTORY			
BATTERY	SATISFACTORY	Extra "Craig #1" sign at tank battery (see attached photo).		

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

Corrective Date: _____

Comment: _____

Corrective Action: _____

Good Housekeeping:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
WEEDS		Control weeds.		

Spills:

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

Fencing/:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
TANK BATTERY	SATISFACTORY	steel panels		
WELLHEAD	SATISFACTORY	steel panels		
SEPARATOR	SATISFACTORY	steel panels, include GMR		

Equipment:

Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Gas Meter Run	1	SATISFACTORY	in berm with HHS		
Plunger Lift	1	SATISFACTORY			
Horizontal Heated Separator	1	SATISFACTORY	bermed, 39.65442, - 104.29070		
Deadman # & Marked	4	SATISFACTORY			

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Vertical Separator	1		in berm with HHS		
Bird Protectors	1	SATISFACTORY	HHS		

Facilities: ☐ New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
CRUDE OIL	1	300 BBLS	STEEL AST	39.654550,-104.290330

S/A/V:	SATISFACTORY	Comment:	enardo valve
Corrective Action:		Corrective Date:	

Paint

Condition	
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Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate	Walls Sufficent	Base Sufficient	Adequate

Corrective Action		Corrective Date	
Comment			

Facilities: ☐ New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	1	OTHER	FIBERGLASS AST	,

S/A/V:	ACTION REQUIRED	Comment:	same berms as crude oil tank, has oil on outside and a small weepy spot on tank (see attached photo).
Corrective Action:	Fix weepy area on tank.	Corrective Date:	08/24/2015

Paint

Condition	
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Other (Content) _____

Other (Capacity) 140 BBL

Other (Type) _____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance

Corrective Action		Corrective Date	
Comment			

Facilities: ☐ New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	1	300 BBLS	STEEL AST	,

S/A/V:		Comment:	same berms as crude oil tank (seep area from previous inspection #668300620 is fixed (see attached photo).
Corrective Action:		Corrective Date:	

Paint

Condition	
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Other (Content) _____

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Other (Capacity) _____

Other (Type) _____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance

Corrective Action		Corrective Date	
Comment			

Venting:

Yes/No

Comment

Flaring:

Type

Satisfactory/Action Required

Comment

Corrective Action

CA Date

Predrill

Location ID: 204653

Site Preparation:

Lease Road Adeq.: _____

Pads: _____

Soil Stockpile: _____

S/AV: _____

Corrective Action: _____

Date: _____ CDP Num.: _____

Form 2A COAs:

S/AV: SATISFACTORY

Comment:

CA:

Date:

Wildlife BMPs:

BMP Type	Comment
Site Specific	Fence the well site after drilling to restrict public and wildlife access. Keep well site location, the road, and the pipeline easement free of noxious weeds, litter and debris. Spray for noxious weeds, and implement dust control, as needed. Overland Resources will not permit the release or discharge of any toxic or hazardous chemicals or wastes on Owner's Land. Construct and maintain gates where any roads used by Overland Resources cross through fences on the leased premises.
Interim Reclamation	Utilize only such area around each producing well as is reasonably necessary. Restore the remainder of the well site location to its original condition within a reasonable time after the completion of operations. All reseeding shall be done with grasses consistent with the Rocky Mountain native mix or other grasses reasonably requested by surface owner and during planting period suggested by Owner.
Storm Water/Erosion Control	Use water bars, and other measures to prevent erosion and non-source pollution. Implement and maintain BMPs to control stormwater runoff in a manner that minimizes erosion, transport of sediment offsite, and site degradation. Co-locate gas and water gathering lines whenever feasible, and mitigate any erosion problems that arise due to the construction of any pipeline(s).

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Final Reclamation	All surface restoration shall be accomplished to the satisfaction of Owner. All reseeding shall be done with grasses consistent with the Rocky Mountain native mix or other grasses reasonably requested by surface owner and during planting period suggested by Owner. Final reclamation shall be completed to the reasonable satisfaction of the Owner as soon as practical after installation (weather permitting) and in accordance with regulatory agency standards (BLM/COGCC).
Planning	When feasible develop multiple well sites by using directional drilling to reduce cumulative impacts and adverse impacts on wildlife resources.
Construction	Remove only the minimum amount of vegetation necessary for the construction of roads and facilities. Conserve topsoil during excavation and reuse as cover on disturbed areas to facilitate regrowth of vegetation. No construction or routine maintenance activities will be performed during periods when the soil is too wet to adequately support construction equipment.

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: 204653 Type: WELL API Number: 005-06738 Status: PR Insp. Status: PR

Producing Well

Comment: PR. May 2015 reported to COGCC database.

Environmental

Spills/Releases:

Type of Spill: _____ Description: _____ Estimated Spill Volume: _____

Comment: _____

Corrective Action: _____ Date: _____

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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: _____

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: pasture on east, open range on west, Buick loam soil type, drainage just off west edge of location

1003a. Debris removed? Pass CM _____

CA _____ CA Date _____

Waste Material Onsite? _____ CM gravel pile by treater

CA _____ CA Date _____

Unused or unneeded equipment onsite? Pass CM _____

CA _____ CA Date _____

Pit, cellars, rat holes and other bores closed? Pass CM _____

CA _____ CA Date _____

Guy line anchors removed? _____ CM _____

CA _____ CA Date _____

Guy line anchors marked? Pass 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 _____

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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
Compaction	Fail	Compaction	Pass			
Gravel	Pass					

S/A/V: **ACTION REQUIRED**

Corrective Date: **08/24/2015**

Comment: **Erosion on west side of location. Subsidence around wellhead (see attached photo).**

CA: **Install stormwater BMPs to minimize erosion, and prevent site degradation and offsite sediment transport.**

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
673710998	Overland Resources LLC, Champlin 353 AMOCO 1	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3648624

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.)