

Inspector Name: AXELSON, JOHN

**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:

04/24/2015

Document Number:

667500362

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	240932	318231	AXELSON, JOHN	<input type="checkbox"/>	

Operator Information:

OGCC Operator Number: 87195

Name of Operator: TEXAS TEA OF COLORADO LLC DBA TEXAS TEA LLC

Address: 14405 W. COLFAX #298

City: LAKEWOOD State: CO Zip: 80401

- ☒ 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:**Compliance Summary:**QtrQtr: NWSE Sec: 17 Twp: 2N Range: 67W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
12/12/2014	669000019	PR	PR	ACTION REQUIRED			No
09/17/2012	665400431	PR	PR	ALLEGED VIOLATION	P		Yes
09/15/2011	200321061	ES	PR	SATISFACTORY			No
08/12/2011	200317855	ES	PR	ACTION REQUIRED			Yes
05/13/2011	200310222	ES	PR	ACTION REQUIRED			Yes
11/18/2010	200284692	ES	PR	ACTION REQUIRED			Yes
04/20/2009	200218271	PR	PR	ACTION REQUIRED			Yes
06/26/2001	200017720	PR	PR	SATISFACTORY		Pass	No
02/12/2001	200014652	PR	PR	SATISFACTORY		Pass	No
09/03/1996	500163217	SR	PA		F	Pass	No
08/15/1996	500163216	PR	PR				
06/06/1996	500163215	PR	SI				
05/22/1996	500163214	PR	PR			Fail	Yes
04/16/1996	500163213	PR	PR				

Inspector Comment:

COGCC EPS staff inspected location to determine if operator could resume production. Several ongoing issues were observed during the inspection as noted herein. Operator requested permission to sell oil currently stored in production tanks to allow repair of associated tanks and valves. COGCC hereby approves the sale of the oil currently stored in the tanks. All of the proceeds of the sale shall be used to continue required corrective actions at the location. Upon completion of all corrective actions the operator shall request approval to resume production. The operator shall provide 5-day notice and arrange for COGCC staff to be present when production resumes to verify that all equipment is functioning properly and no leaks or releases occur. Operator shall also arrange to perform flow line integrity test in accordance with Rule 1101.e. at the start of production with COGCC staff present to observe.

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
240932	WELL	PR	01/09/2014	OW	123-08720	PACE 2	SI	<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

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

Corrective Date: _____

Comment: _____

Corrective Action: _____

Good Housekeeping:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
TRASH	ACTION REQUIRED	buckets and misc trash.	Remove from location.	07/18/2015
DEBRIS	ACTION REQUIRED	concrete pad, pipe and trash at former separator shed.	Immediately remove from location and properly recycle or dispose. Reclaim disturbed area from concrete pad removal.	07/31/2015

Spills:

Type	Area	Volume	Corrective action	CA Date
Crude Oil	Separator	<= 5 bbls	Still oil saturated soil at horizontal separator. Excavate all oily waste and properly dispose.	07/08/2015

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

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
PUMP JACK	SATISFACTORY	Chain link around pumping unit.		

Equipment:

Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Horizontal Heated Separator	1	ACTION REQUIRED	Gas production from separator appears to vent into produced water vault.	Gas production must be properly produced to meter run and reported. Gas line must be properly connected to meter run prior to resumption of production.	07/31/2015

Facilities:☐ New Tank

Tank ID: _____

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	1		CONCRETE SUMP/VAULT	,
S/A/V: ACTION REQUIRED	Comment: _____			
Corrective Action: Properly label w/NFPA, contents & capacity. Provide permanent lid fitted for vault opening.				Corrective Date: 07/31/2015

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Paint				
Condition				
Other (Content)				
Other (Capacity)				
Other (Type)				
Berms				
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Corrective Action				Corrective Date
Comment				
Facilities:				
<input type="checkbox"/> New Tank		Tank ID: _____		
Contents	#	Capacity	Type	SE GPS
CRUDE OIL	2	300 BBLS	STEEL AST	,
S/A/V:	ACTION REQUIRED		Comment: Operator has requested to sell oil in tank to allow required repairs. Sale is approved.	
Corrective Action:		Repair leaking access panel on south tank. Repair/replace leaking valves at both production tanks.		Corrective Date: 07/31/2015
Paint				
Condition		Adequate		
Other (Content)		Some corrosion around bases of tanks.		
Other (Capacity)				
Other (Type)				
Berms				
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate	Walls Insufficient	Base Insufficient	
Corrective Action				Corrective Date
Comment				
Venting:				
Yes/No		Comment		
Flaring:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Predrill

Location ID: 240932

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: 240932 Type: WELL API Number: 123-08720 Status: PR Insp. Status: SI

Environmental**Spills/Releases:**

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

Comment: Remove all oily waste at separator. Remove any contaminated stormwater that filled excavation at separator and properly dispose.

Corrective Action: Excavate all oily waste Date: 07/31/2015

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: _____			
Waste Management:			
Type	Management	Condition	Comment
Oily Soil	Piles		Remediation 5616 is still open. Oily waste disposal was never documented. Provide disposal documentation with closure request no later than 7/31/15.
Oily Soil	Other		Provide documentation that oily waste removed from separator was properly disposed. Remit manifests & haul tickets no later than 7/31/15.
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? _____

Segregated soils have been replaced? _____

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Production areas have been stabilized?

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: _____ Corrective Date: _____

Comment: _____

CA: _____

Pits: ☐ NO SURFACE INDICATION OF PIT

COGCC Comments

Comment	User	Date
Immediately perform flow line integrity test in accordance with Rule 1101.e. when production resumes with COGCC inspector on location.	axelsonj	06/10/2015

Attached Documents

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

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Document Num	Description	URL
667500362	INSPECTION APPROVED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3624376
667500363	Photo Log 2-24-15	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3624372

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.)