

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:
08/05/2015

Document Number:
673711187

Overall Inspection:

ACTION REQUIRED

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>233217</u>	<u>316921</u>	<u>Sherman, Susan</u>	<input type="checkbox"/>	

Operator Information:

OGCC Operator Number:	<u>24320</u>
Name of Operator:	<u>DIAMOND OPERATING, INC.</u>
Address:	<u>6666 GUNPARK DR STE #200</u>
City:	<u>BOULDER</u> State: <u>CO</u> Zip: <u>80301</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
Peterson, Dave	(303) 949-4420	davep@flatironenergy.com	

Compliance Summary:

QtrQtr: NENE Sec: 2 Twp: 4S Range: 53W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
01/23/2015	673709548	PR	PR	ACTION REQUIRED			No
01/23/2015	673709382	PR	PR	ACTION REQUIRED			No
04/18/2014	673702545	PR	PR	ACTION REQUIRED			No
08/30/2010	200273280	SR	PR	ACTION REQUIRED			Yes
02/11/2009	200203933	PR	PR	ACTION REQUIRED			Yes
09/21/2007	200119510	PR	PR	SATISFACTORY			No
05/04/2006	200090024	PR	PR	ACTION REQUIRED		Fail	Yes
05/30/2000	200007238	ES	SI	SATISFACTORY		Fail	Yes
06/19/1997	500158166	ES	PR			Fail	Yes
04/25/1997	500158165	ES	PR			Pass	No
04/17/1997	500158164	ES	PR			Fail	Yes
04/15/1997	500158163	PR	PR			Fail	Yes
12/05/1995	500158162	PR	PR			Pass	No
10/30/1995	500158161	PR	PR			Pass	No
09/22/1995	500158160	PR	PR			Fail	Yes
05/04/1995	500158159	PR	PR			Fail	Yes
03/12/1995	500158158	ES	PR				Yes
03/09/1995	500158157	PR	PR			Fail	Yes

Inspector Comment:

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
109541	PIT	AC	09/23/1999		-	WHITAKER PW 1	AC
109542	PIT	AC	09/23/1999		-	WHITAKER PW 2	AC
109543	PIT	AC	09/23/1999		-	WHITAKER PW 3	AC
117541	PIT	AC	09/23/1999		-	WHITAKER SKIM 1	AC
233217	WELL	PR	04/27/2006	OW	121-05242	WHITAKER (ALLISON ESTATE) 1	PR

Equipment:

Location Inventory

Special Purpose Pits: _____	Drilling Pits: _____	Wells: _____	Production Pits: _____
Condensate Tanks: _____	Water Tanks: _____	Separators: _____	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: _____	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	SATISFACTORY			
WELLHEAD	SATISFACTORY			
CONTAINERS	ACTION REQUIRED	propane tanks have no labels	Install sign to comply with rule 210.	08/24/2015

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

Corrective Date: _____

Comment: _____

Corrective Action: _____

Spills:

Type	Area	Volume	Corrective action	CA Date
<input type="checkbox"/> Multiple Spills and Releases?				

Fencing/:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
WELLHEAD	SATISFACTORY	hog panels		

Equipment:

Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Prime Mover	1	SATISFACTORY	electric		
Ancillary equipment	9	SATISFACTORY	2 REA poles, electric panel, 4 chemical containers in northern produced water tank berms, gas scrubbers and crude oil tanks		

Inspector Name: Sherman, Susan

Vertical Heater Treater	1	SATISFACTORY	shed, in berm with the two norther produced water tanks.		
Pump Jack	1	SATISFACTORY	concrete pad		
Bird Protectors	3	SATISFACTORY	on VHT and vent stacks from crude oil tanks		
Deadman # & Marked	4	SATISFACTORY			

Facilities: New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS	
PRODUCED WATER	1	300 BBLS	STEEL AST	,	
S/A/V:	SATISFACTORY		Comment: South produced water tank near pits		
Corrective Action:				Corrective Date:	

Paint

Condition	
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	2	300 BBLS	STEEL AST	,	
S/A/V:			Comment:		
Corrective Action:				Corrective Date:	

Paint

Condition	
Other (Content)	_____
Other (Capacity)	_____
Other (Type)	_____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Earth	Inadequate	Walls Sufficent	Base Sufficient	Inadequate	
Corrective Action	Maintain berms around the 2 northern produced water tanks and treater.			Corrective Date	08/24/2015
Comment					

Facilities: New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
CRUDE OIL	3	400 BBLS	HEATED STEEL AST	39.738320,-103.274080
S/A/V:	SATISFACTORY		Comment:	

Corrective Action:	Corrective Date:			
Paint				
Condition				
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				

Venting:	
Yes/No	Comment

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

Predrill

Location ID: 233217

Site Preparation:

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

S/AV: _____

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

Form 2A COAs:

S/AV: SATISFACTORY **Comment:** No COAs.

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: 233217 Type: WELL API Number: 121-05242 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: _____

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: _____

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? _____

Inspector Name: Sherman, Susan

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
Compaction	Pass	Compaction	Pass	MHSP	Pass	
Berms	Pass					at wellhead
Gravel	Pass	Gravel	Pass			

S/A/V: SATISFACTOR Corrective Date: _____

Y _____

Comment: _____

CA: _____

Pits: NO SURFACE INDICATION OF PIT

Pit Type: Skimming/Settling Lined: YES Pit ID: _____ Lat: 39.738170 Long: -103.274500

Lining:

Liner Type: _____ Liner Condition: _____

Comment: _____

Fencing:

Fencing Type: _____ Fencing Condition: _____

Comment: _____

Netting:

Netting Type: Mesh Netting Condition: Gaps

Comment: see attached photo

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

Pit (S/A/V): ACTION Comment: East skim pit with cover, ~20' diameter

Corrective Action: Remove oil from skim pit. Date: 08/24/2015

Pit Type: Produced Water Lined: NO Pit ID: _____ Lat: _____ Long: _____

Lining:

Liner Type: _____ Liner Condition: _____

Comment: _____

Fencing:

Fencing Type: _____ Fencing Condition: _____

Comment: _____

Netting:

Netting Type: _____ Netting Condition: _____

Comment: _____

Anchor Trench Present: _____ Oil Accumulation: NO 2+ feet Freeboard: _____

Pit (S/A/V): SATISFACTOR Comment: South pit, ~ 150'x75'

Corrective Action: _____ Date: _____

Pit Type: Skimming/Settling Lined: NO Pit ID: _____ Lat: _____ Long: _____

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: West skim pit, ~20'x15', that is covered with plastic. Form 15, #400539606 is in process.

Corrective Action: _____ Date: _____

Pit Type: Produced Water Lined: NO Pit ID: Lat: 39.737880 Long: -103.274450

Lining:

Liner Type: Liner Condition:

Comment:

Fencing:

Fencing Type: Fencing Condition:

Comment:

Netting:

Netting Type: Netting Condition:

Comment:

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

Pit (S/A/V): ACTION Comment: NW pit, ~ 100'x80'. Contacted pumper on 8/5/2015 and he will have pumper truck come back to clean oil on edges.

Corrective Action: Remove free oil from NW and NE corner of pit near pipe from produced water tank (see attached photo). Date: 08/13/2015

Pit Type: Produced Water Lined: NO Pit ID: Lat: Long:

Lining:

Liner Type: Liner Condition:

Comment:

Fencing:

Fencing Type: Fencing Condition:

Comment:

Netting:

Netting Type: Netting Condition:

Comment:

Anchor Trench Present: Oil Accumulation: NO 2+ feet Freeboard:

Pit (S/A/V): SATISFACTOR Comment: NE pit, ~70'x85'

Corrective Action: Date:

COGCC Comments

Comment	User	Date
Flir Survey	ShermaSe	08/12/2015

Attached Documents

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

Document Num	Description	URL
673711223	Diamond Whitaker (Allizon Estate) 1	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3661147

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.)