

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:
09/04/2015

Document Number:
677900112

Overall Inspection:

ALLEGED VIOLATION

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>324634</u>	<u>324634</u>	<u>FISCHER, ALEX</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
Justin Covey		Justin.Covey@ghd.com	
Camper, Grady	719-371-2283	grady@cmproductionllc.com	
Neidel, Kris		kris.neidel@state.co.us	
Waldron, Emily		emily.waldron@state.co.us	
Gintautas, Peter		peter.gintautas@state.co.us	
Teff, John		JohnT@CMProductionllc.com	

Compliance Summary:

QtrQtr:	<u>SWSE</u>	Sec:	<u>28</u>	Twp:	<u>9N</u>	Range:	<u>81W</u>
---------	-------------	------	-----------	------	-----------	--------	------------

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
07/16/2015	677900095			ALLEGED VIOLATION			Yes
06/17/2015	669300863	AC	EI	ALLEGED VIOLATION			Yes
06/02/2015	677900087			ALLEGED VIOLATION			Yes
05/25/2015	669300857	AC	EI	ACTION REQUIRED			No
05/13/2015	677900042			ALLEGED VIOLATION			Yes
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 September 4, 2015 COGCC Environmental Staff (Alex Fischer and 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). CM Production (Anthony Brick) was present. Weather was sunny, and temps app 70 degrees at time of inspection. The Facility and Field are SI at this time with the gates being locked but secured. See INSP Summary 20150904 CM Location 324634 for description of the inspection.

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
112265	PIT	AC			-	SPAULDING BATTERY (15 WELLS)	EI	<input checked="" type="checkbox"/>
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 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"/>
420409	NONFACILITY		11/18/2010		-	LONE PINE TREATMENT PITS	EI	<input checked="" type="checkbox"/>
427281	TANK BATTERY	AC	01/10/2012		-	M. SPAULDING CENTRALIZED TANK BATT 1	EI	<input checked="" type="checkbox"/>
441982	LAND APPLICATION SITE	AC	06/09/2015		-	CM Lone Pine Land Farm	EI	<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 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

Lease Road:				
Type	Satisfactory/Action Required	comment	Corrective Action	Date
Access	ALLEGED VIOLATION	See Document Number 2495388 where CM Productions has denied access without their permission and shall comply with Rule 204	Provide lock combination to COGCC	09/15/2015

Emergency Contact Number (S/A/V): ACTION Corrective Date: 06/23/2015

Comment: **"Pop-tank" contact info not legible.**

Corrective Action: **Make necessary improvements to address signage.**

Good Housekeeping:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
TRASH	ACTION REQUIRED	Trash (plastic in stock pile) and hoses, buckets, oil booms near the Pit Facilities	Pick up and dispose of trash and other material that litte the Location.	05/31/2015

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: 420409 Type: NONFACILIT API Number: - Status: _____ Insp. Status: EI

Facility ID: <u>427281</u>	Type: <u>TANK</u>	API Number: <u>-</u>	Status: <u>AC</u>	Insp. Status: <u>EI</u>
Facility ID: <u>441982</u>	Type: <u>LAND</u>	API Number: <u>-</u>	Status: <u>AC</u>	Insp. Status: <u>EI</u>

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	Landfarm	Inadequate	Refer to Supplemental Form 27 Document Number 1642189 for Conditions of and Approval and Corrective Action Date.		

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
Berms	Fail					

S/A/V: **ACTION REQUIRED** Corrective Date: **09/18/2015**

Comment: **New stock pile (appr 50"x30'x15' in height) of E&P waste (treated soil) near the south west corner of Pit facility 112267. Plastic was noted in the stock pile as well as hydrocarbon odors. Mr. Brick indicated that the material came from the stock pile located south of the Land Application Site.**
Main stock pile south of the Land Application Site.
 CA: **All stock piles be bermed to prevent runoff across lease road and Location.**

Pits: NO SURFACE INDICATION OF PIT

Pit Type: Produced Water Lined: NO Pit ID: 112269 Lat: 40.718083 Long: -106.499402

Lining:

Liner Type: Other Liner Condition: _____
 Comment: Alleged bentonite liner

Fencing:

Fencing Type: Livestock Fencing Condition: Adequate
 Comment: **• All Pit Facilities are secured within fenced areas.**

Netting:

Netting Type: _____ Netting Condition: _____
 Comment: Not Netted

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

Pit (S/A/V): **ALLEGED** Comment: **An approximate 8' diameter area of fluid in bottom of pit with visual staining on fluid surface and visual staining of hydrocarbons along sides of pit (app 25-30').**

Corrective Action: **Refer to Supplemental Form 27 Document Number 1642189 for Conditions of and Approval and Corrective Action Date. Remove hydrocarbons per Rule 902.** Date: **06/13/2015**

Pit Type: Produced Water Lined: NO Pit ID: 112266 Lat: 40.717034 Long: -106.497960

Lining:

Liner Type: Other Liner Condition: _____
 Comment: Alleged bentonite liner

Fencing:

Fencing Type: Livestock Fencing Condition: Adequate
 Comment: **• All Pit Facilities are secured within fenced areas.**

Netting:

Netting Type: _____ Netting Condition: _____
 Comment: Not Netted

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

Pit (S/A/V): **ALLEGED** Comment: **Fluid in pit app 15-20' below berm. Visual signs of hydrocarbons on fluid surface (10% of surface), netted but compromised with holes, visual staining of hydrocarbons along sides of pit. Used oil absorbent booms along east bank of pit. Fluids from Pit Facility 112266 were being transferred via a pump with 2-inch hose (estimated 60-80 gallons per minute).**

Corrective Action: **Refer to Supplemental Form 27 Document Number 1642189 for Conditions of and Approval and Corrective Action Date. Remove hydrocarbons per Rule 902.** Date: **06/13/2015**

Pit Type: Produced Water Lined: NO Pit ID: 112265 Lat: 40.717314 Long: -106.497911

Lining:

Liner Type: Other Liner Condition: _____

Comment: Alleged bentonite liner

Fencing:

Fencing Type: Livestock Fencing Condition: Adequate

Comment: **• All Pit Facilities are secured within fenced areas.**

Netting:

Netting Type: Fence/Net Netting Condition: Holes

Comment: **compromised with holes**

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

Pit (S/A/V): **ALLEGED** Comment: **Fluid in pit app 15-20' below berm. Visual signs of hydrocarbons on fluid surface (10% of surface), netted but compromised with holes, visual staining of hydrocarbons along sides of pit. Used oil absorbent booms along east bank of pit. Fluids from Pit Facility 112266 were being transferred via a pump with 2-inch hose (estimated 60-80 gallons per minute).**

Corrective Action: **Refer to Supplemental Form 27 Document Number 1642189 for Conditions of and Approval and Corrective Action Date. Remove hydrocarbons per Rule 902.** Date: **06/13/2015**

Pit Type: Produced Water Lined: NO Pit ID: 112267 Lat: 40.717130 Long: -106.498386

Lining:

Liner Type: Other Liner Condition: _____

Comment: Alleged bentonite liner

Fencing:

Fencing Type: Livestock Fencing Condition: Adequate

Comment: **• All Pit Facilities are secured within fenced areas.**

Netting:

Netting Type: _____ Netting Condition: _____

Comment: **Not Netted**

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

Pit (S/A/V): **ALLEGED** Comment: **An approximate 40' dia area of fluid in bottom of pit visual signs of what appeared to be hydrocarbons covering about 100% of the fluid surface. Visual staining of hydrocarbons along sides of pit (25'). Used oil absorbent booms in fluid along west side of pit.**

Corrective Action: **Refer to Supplemental Form 27 Document Number 1642189 for Conditions of and Approval and Corrective Action Date. Remove hydrocarbons per Rule 902.** Date: **06/13/2015**

Pit Type: Produced Water Lined: NO Pit ID: 112268 Lat: 40.717751 Long: -106.499514

Lining:

Liner Type: Other Liner Condition: _____

Comment: Alleged bentonite liner

Fencing:

Fencing Type: Livestock Fencing Condition: Adequate

Comment: _____

Netting:

Netting Type: _____ Netting Condition: _____

Comment: **• All Pit Facilities are secured within fenced areas.**

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

Pit (S/A/V): **ALLEGED** Comment: **An approximate 30'- 40' dia area of fluid in bottom of pit with visual hydrocarbons on fluid surface and visual staining of hydrocarbons along sides of pit (app 25').**

Corrective Action: **Refer to Supplemental Form 27 Document Number 1642189 for Conditions of and Approval and Corrective Action Date. Remove hydrocarbons per Rule 902.**

Date: **06/13/2015**

COGCC Comments

Comment	User	Date
<p>On September 4, 2015 COGCC Environmental Staff (Alex Fischer and 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). CM Production (Anthony Brick) was present. Weather was sunny, and temps app 70 degrees at time of Inspection. The Facility and Field are SI at this time with the gates being locked but secured. The following is a summary:</p> <ul style="list-style-type: none"> • Unused equipment south of the Margaret Spaulding #14, API 05-057-06108. • Stock pile of E&P waste (treated soil) immediately west of pits is bermed and berm is maintained to prevent runoff across lease road and Location. • New stock pile (appr 50"x30'x15' in height) of E&P waste (treated soil) near the south west corner of Pit facility 112267. Plastic was noted in the stock pile as well as hydrocarbon odors. Mr. Brick indicated that the material came from the stock pile located south of the Land Application Site. It was suggested by COGCC that stock pile be bermed to prevent runoff across lease road and Location. • It was suggested by COGCC that the larger stock pile be bermed similar to others to prevent runoff across Location. • Mr. Brick also stated that he has been periodically turning/moving material in the larger stock pile, however, not in accordance to the approved Form 27 Remediation Plan. • UIC well is not on line or hooked up. Pump and electricity present. • All Pit Facilities are secured within fenced areas. • Pit Facility 115241- Pit bottom appeared to be moist with some vegetation growth. Material has sloughed from the sides or upper portion of the pit. Surface water runoff from the main Facility is controlled via a ditch was constructed along the north side of the Pit Complex. Pit not netted. • Pit Facility 112265- Fluid in pit app 15-20' below berm. Visual signs of hydrocarbons on fluid surface (10% of surface), netted but compromised with holes, visual staining of hydrocarbons along sides of pit. Used oil absorbent booms along east bank of pit. Fluids from Pit Facility 112266 were being transferred via a pump with 2-inch hose (estimated 60-80 gallons per minute). • Pit Facility 112266- Fluid in pit with aerator removed and fluids being transferred to Pit Facility 112256. Visual signs of what appeared to be hydrocarbons covering about 30% of the fluid surface and sheen covering 70%, Visual staining of hydrocarbons noted along sides of pit (12-15'). Pit not netted. Hose and buckets present for skimming apparent oily material from the fluid surface. • Pit Facility 112267- An approximate 40' dia area of fluid in bottom of pit visual signs of what appeared to be hydrocarbons covering about 100% of the fluid surface. Visual staining of hydrocarbons along sides of pit (25'). Used oil absorbent booms in fluid along west side of pit. Pit not netted. • Pit Facility 112268- An approximate 30'- 40' dia area of fluid in bottom of pit with visual hydrocarbons on fluid surface and visual staining of hydrocarbons along sides of pit (app 25'). Pit not netted. • Pit Facility 112269- An approximate 8' diameter area of fluid in bottom of pit with visual staining on fluid surface and visual staining of hydrocarbons along sides of pit (app 25-30'). Pit not netted. • Landfarm (approximate 100' x 80 'area) fenced with 3-strand barbed wire (near the Margaret Spaulding 4-B, API 05-057-06047) with app 3' thick of material that has been leveled with front end loader. Anthony stated that they (CM) work in a 1800 lbs hay bale into the land farmed material. He said that he had worked the material around 2-3 times in the last month. App 20' dia X 5' high liner material on Location from Pit Facility 115241 closure. • Livestock tracks throughout production facility, (3) 300-gal totes with what appears to have oil in them are now stored within a secondary containment area with secure lids. • Injection pump not mechanically connected. • Backhoe and front end loader on Location. • Anthony stated that pits had not been treated with material but only water had been pumped out after precipitation events. 	fischera	09/11/2015

<p>On September 4, 2015 the COGCC received the First Semiannual 2015 Groundwater Monitoring Report for COGCC Remediation Site #7058, located in Jackson County, Colorado, southeast of Walden. GHD submitted this report on behalf of CM Production, LLC. (See Document 2315425).</p> <p>Groundwater monitoring shall continue and aggressive treatment in the Land Application area shall begin immediately. Pit Treatment Options were evaluated by CMs previous consultant and approved by the COGCC via Supplemental Form 27 (Document Number 1642189).</p>	<p>fischera</p>	<p>09/11/2015</p>
---	-----------------	-------------------

Attached Documents

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

Document Num	Description	URL
677900114	INSP Summary 20150904CM Facility ID 324634 Photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3681094
677900115	INSP Summary 20150904CM Location 32463420150911	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3681095