

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:
10/02/2015

Document Number:
675101906

Overall Inspection:

ACTION REQUIRED

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	336491	336491	GRANAHAN, KYLE	<input type="checkbox"/>	

Operator Information:

OGCC Operator Number:	<u>10200</u>
Name of Operator:	<u>PETROHUNTER OPERATING COMPANY</u>
Address:	<u>910 SIXTEENTH STREET SUITE 208</u>
City:	<u>DENVER</u> State: <u>CO</u> Zip: <u>80202</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
Fischer, Alex		alex.fischer@state.co.us	
Ellsworth, Stuart		Stuart.ellsworth@state.co.us	
Kellerby, Shaun		shaun.kellerby@state.co.us	
, Maniscalco	720-381-3974	pmaniscalco@petrohunter.com	Principle Accounting Officer

Compliance Summary:

QtrQtr:	<u>SESE</u>	Sec:	<u>21</u>	Twp:	<u>1N</u>	Range:	<u>95W</u>
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Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
10/03/2014	674700374			ALLEGED VIOLATION			Yes
08/12/2014	669300135			ACTION REQUIRED	F		No

Inspector Comment:

Follow up inspection in regards to inspecion doc # 675100568 - no corrective actions have been implemented.

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
288675	WELL	WO	07/03/2007	GW	103-10973	LAKE 16-21	TA <input checked="" type="checkbox"/>
298630	WELL	XX	09/29/2008	LO	103-11387	LAKE D9-21S	XX <input type="checkbox"/>
298631	WELL	XX	09/29/2008	LO	103-11388	LAKE D10-21S	XX <input type="checkbox"/>
298632	WELL	XX	09/29/2008	LO	103-11389	LAKE D7-28A	XX <input type="checkbox"/>
298633	WELL	XX	09/29/2008	LO	103-11390	LAKE D12-22S	XX <input type="checkbox"/>
417548	PIT		10/03/2008		-	LAKE 16-21	<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

Signs/Marker:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
BATTERY	ACTION REQUIRED	Located at entrance of location, emergency contact # has peeled off, missing nearest public access road.	Install sign to comply with rule 210.	10/31/2014
WELLHEAD	ACTION REQUIRED	No sign at wellhead	Install sign to comply with rule 210.	10/31/2014

Emergency Contact Number (S/A/V): ACTION Corrective Date: 10/31/2014

Comment: Not legible

Corrective Action: Provide emergency contact # to comply with COGCC rules.

Good Housekeeping:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
TRASH	ACTION REQUIRED	Pit liner and wood pallet at entrance of location. Pit liner scattered throughtout recent pit reclaim, pieces of wood and trash on location.	Remove trash and debris to comply with COGCC rules.	10/31/2014
STORAGE OF SUPL	ACTION REQUIRED	Wooden crate with hammer unions, fittings, and 1 joint of casing.	Remove equipment not needed for the production of the lease to comply with COGCC rules	10/31/2014

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
LOCATION	SATISFACTORY			

Equipment:					
Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Deadman # & Marked	2	SATISFACTORY			

Venting:	
Yes/No	Comment
NO	

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

Predrill

Location ID: 336491

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: 288675 Type: WELL API Number: 103-10973 Status: WO Insp. Status: TA

Idle Well

Purpose: Shut In Temporarily Abandoned Reminder: SITE CONDITION

S/A/V: ACTION

CA Date: 07/01/2013

CA: Well must be either:
1) Per COGCC Rule 326.b.(1) a successful mechanical integrity test shall be performed on each temporarily abandoned well within thirty (30) days of the date the well becomes incapable of production or
2) Be properly plugged and abandoned.
3) A sundry requesting continued temporarily abandoned status should be submitted to Bob Koehler at the COGCC within thirty (30) days of receipt of this report - the sundry should detail the plan for the future operation of the well and the way the well is closed to the atmosphere. Shut-in and temporarily abandoned wells must be properly reported on COGCC Form 7, Operator's Monthly Production Report.

Comment: TA status previously written up on 1/13/2012 doc # 663800072 and again on 4/25/2013 doc # 669300510. Well is TA, production records indicate well produced in Dec. 2008. Gauge on well shows 2450 psi.

Facility ID: 417548 Type: PIT API Number: - Status: Insp. Status:

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? Fail CM Pit liner and trash on location

CA Remove trash/debris to comply with COGCC rules CA Date 10/31/2014

Waste Material Onsite? CM

CA CA Date

Unused or unneeded equipment onsite? Pass CM Equipment and casing on location

CA Remove equipment not needed for the production of the lease. CA Date 10/31/2014

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

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
Ditches	Fail					
		Gravel	Pass			

Berms	Fail				
S/A/V:	ACTION REQUIRED	Corrective Date:	10/31/2014		
Comment:	Stormwater BMP's are not being maintained, erosion and wash out evident on location.				
CA:	Maintain stormwater BMP's to comply with COGCC rules.				

Pits: NO SURFACE INDICATION OF PIT

Pit Type:	Lined:	Pit ID:	417548	Lat:	40.036490	Long:	-108.049800
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):	ACTION	Comment:	Pit has been back filled, multiple pieces of pit liner scattered throughout recent pit reclaim, no form 27 on file.				
Corrective Action:	Submit form 27 and closure report					Date:	10/31/2014

Permit:	Facility ID	Permit Num	Expiration Date
	417548	2606868	
	417548	2606868	

Attached Documents

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

Document Num	Description	URL
675101909	Photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3692064

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.)