

**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:

669300886

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	436676	436676	NEIDEL, KRIS	<input type="checkbox"/>	

Operator Information:OGCC Operator Number: 10450Name of Operator: EE3 LLCAddress: 4410 ARAPAHOE AVENUE #100City: BOULDER State: CO Zip: 80303

- ☐ 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	
McClure, Rich		rmcclure@ee3llc.com	
Ashby, Andy		aashby@ee3llc.com	
Waldron, Emily		emily.waldron@state.co.us	

Compliance Summary:QtrQtr: SWSW Sec: 4 Twp: 6N Range: 80W**Inspector Comment:**this inspection is for the production facility 436676, see location 436801 for well inspection.**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
436676	LOCATION	AC	04/06/2014		-	Surprise Central Facility	EI	<input checked="" type="checkbox"/>

Equipment:Location Inventory

Special Purpose Pits: _____	Drilling Pits: _____	Wells: _____	Production Pits: _____
Condensate Tanks: _____	Water Tanks: <u>8</u>	Separators: <u>8</u>	Electric Motors: <u>8</u>
Gas or Diesel Motors: _____	Cavity Pumps: _____	LACT Unit: _____	Pump Jacks: _____
Electric Generators: _____	Gas Pipeline: _____	Oil Pipeline: _____	Water Pipeline: _____
Gas Compressors: _____	VOC Combustor: <u>1</u>	Oil Tanks: <u>32</u>	Dehydrator Units: _____
Multi-Well Pits: _____	Pigging Station: <u>1</u>	Flare: <u>1</u>	Fuel Tanks: _____

Location**Signs/Marker:**

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
TANK LABELS/PLACARDS	ACTION REQUIRED	no labels or placards on tanks	Install sign to comply with rule 210.	10/19/2015

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

Corrective Date: _____

Comment: on sign

Inspector Name: NEIDEL, KRIS

Corrective Action:

Spills:

Type	Area	Volume	Corrective action	CA Date
PW/CO	Gathering Line	<= 5 bbls	see pictures of spills. newly installed flowlines have drips of oil on ground below hammer union. prevent oil from leaking at unions.	10/04/2015

☐ Multiple Spills and Releases?**Equipment:**

Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Horizontal Heated Separator	1	SATISFACTORY	bermed		
Flare	1	SATISFACTORY	bermed and flaring.		

Facilities:☐ New Tank

Tank ID: _____

Contents	#	Capacity	Type	SE GPS
OTHER	8	400 BBLS	STEEL AST	,
S/A/V: SATISFACTORY	Comment:			
Corrective Action:				Corrective Date:

Paint

Condition	Adequate
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Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth			Base Sufficient	
Corrective Action	ensure berm complies with rule 605.a(4)			Corrective Date 10/05/2015
Comment	engineered liner observed in tank battery. 2 low spots in berm (approximately 10" at low spot); below loadout, and below flowlines to/from tank battery.			

Venting:

Yes/No	Comment
	no venting observed.

Flaring:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Field Flare	SATISFACTORY	actively flaring.		

Predrill

Location ID: 436676

Site Preparation:

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

S/A/V: _____

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

Form 2A COAs:

Group	User	Comment	Date
OGLA	kubeczkd	<p>Notify the COGCC 48 hours prior to start of central tank battery facility pad construction, pipeline testing, and start of operations using Form 42 (the appropriate COGCC individuals will automatically be email notified).</p> <p>Surface water samples from the unnamed stream (one upgradient and one downgradient to the facility location) located approximately 675 feet to the east of the facility (if water is present), shall be collected prior to the facility use and every 12 months (until facility closure) to evaluate potential impacts from tank facility operations. At a minimum, the surface water samples will be analyze for the following parameters: major cations/anions (chloride, fluoride, sulfate, sodium); total dissolved solids (TDS); and BTEX/DRO.</p>	03/15/2014
OGLA	kubeczkd	<p>Operator must ensure secondary containment for any volume of fluids contained at central tank battery facility pad site during operations; including, but not limited to, construction of a berm or diversion dike, diversion/collection trenches within and/or outside of berms/dikes, site grading, or other comparable measures sufficiently protective of nearby surface water. Any berm constructed at the tank battery facility pad location will be stabilized, inspected at regular intervals (at least every 14 days), and maintained in good condition.</p> <p>Operator must implement best management practices to contain any unintentional release of fluids, including any fluids conveyed via temporary surface pipelines or buried permanent pipelines.</p> <p>The facility pad shall be constructed as quickly as possible and appropriate BMPs need to be in place both during, after facility pad construction completion, as well as during all operations. Standard stormwater BMPs must be implemented at this location to insure compliance with CDPHE and COGCC requirements and to prevent any stormwater run-on and /or stormwater runoff.</p> <p>The access road will be constructed and maintained as to not allow any sediment to migrate from the access road to nearby surface water or any drainages leading to surface water.</p> <p>Strategically apply fugitive dust control measures, including enforcing established speed limits on private roads, to reduce fugitive dust and coating of vegetation and deposition in water sources.</p> <p>Berms or other containment devices shall be constructed to be sufficiently impervious (corrugated steel with poly liner) to contain any spilled or released material around crude oil, condensate, and produced water storage tanks.</p> <p>All tanks and aboveground vessels containing fluids or chemicals used in the storage and transmission processes and operations must have secondary containment structures (which may include, but is not limited to, double-walled tanks). All secondary containment structures/areas must be lined. Operator must ensure 110 percent secondary containment for the largest structure containing fluids within each bermed area of the facility during operations. The construction and lining of the secondary containment structures/areas shall be supervised by a professional engineer or their agent.</p> <p>Additional containment shall be required where temporary or permanent pumps and other necessary equipment or chemicals are located.</p> <p>Operator will use adequately sized containment devices for all chemicals and/or hazardous materials stored or used on location and the facility shall comply with the operators SPCC Plan.</p> <p>Within 30 calendar days of conclusion of the initial grading and earthwork and facility equipment placement, operator shall submit as-built drawings, including plan view and cross-sections (with perpendicular axes), prepared and stamped by a Professional Land Surveyor or Professional Engineer; including the facility pad, location of all equipment and secondary containment, stormwater BMPs, and the access road.</p>	03/15/2014

Inspector Name: NEIDEL, KRIS

OGLA	kubeczkd	Operator shall pressure test pipelines in accordance with Rule 1101.e.(1) prior to putting into initial service any temporary surface or permanent buried pipelines and following any reconfiguration of the pipeline network.	03/15/2014
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S/A/V: _____ **Comment:** _____

CA: _____ **Date:** _____

Wildlife BMPs:

BMP Type	Comment
Wildlife	<ol style="list-style-type: none">1. Where oil and gas construction activities must occur within 4 miles of greater sage-grouse leks or within other mapped greater sage-grouse breeding or summer habitat, conduct these activities outside the period between March 1 and June 30.2. Restrict site visitations to portions of the day between 9:00 a.m. and 4:00 p.m. during the lekking season (March 1 to May 15).3. Operator will utilize a combustion chamber or enclosed flaring device for elimination of gases encountered during drilling and production. Avoiding traditional flaring techniques at this location will help mitigate the effects of fugitive light and noise on wildlife.4. Establish company guidelines to minimize wildlife mortality from vehicle collisions on roads. Slow speeds and increased awareness among employees and contractors traveling to and from the site should help to reduce impacts.5. Install raptor perch deterrents on equipment, fences, cross arms and pole tops in greater sage-grouse habitat. Furthermore, design tanks and other facilities with structures such that they do not provide perches or nest substrates for raptors, crows, and ravens.
Storm Water/Erosion Control	EE3 LLC will implement a storm water and erosion plan to prevent sedimentation and erosion.

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: 436676 Type: LOCATION API Number: - Status: AC Insp. Status: EI

Environmental

Spills/Releases:

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

Comment: Staining on ground around tank 1410, approximately 10'x20' in gravel. I is unknown what caused this (glycol).

Corrective Action: Source of spill should be determined and future spills of this nature should be Date: 10/26/2015

Reportable: NO 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: _____

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: RANGELAND

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

Inspector Name: NEIDEL, KRIS

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: RANGELAND

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

Attached Documents

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

Document Num	Description	URL
669300887	pics	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3692767

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.)