

Inspector Name: Waldron, Emily

**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:

10/08/2015

Document Number:

673402534

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	423729	423727	Waldron, Emily	<input type="checkbox"/>	

Operator Information:

OGCC Operator Number: 10354

Name of Operator: DAKOTA EXPLORATION LLC

Address: 8801 S. YALE AVENUE, SUITE 120

City: TULSA State: OK Zip: 74137

- ☒ 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
Collins, Paul		pcollins@dakotaexploration.com	All Inspections
Ellsworth, Stuart		stuart.ellsworth@state.co.us	
Reynolds, Gail		greynolds@dakotaexploration.com	
Kellerby, Shaun		shaun.kellerby@state.co.us	
Ikenouye, Teri		teri.ikenouye@state.co.us	

Compliance Summary:

QtrQtr: NWNW Sec: 24 Twp: 6N Range: 81W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
06/30/2015	673402215	SI	SI	ACTION REQUIRED			No
09/12/2014	673401105	SI	SI	ACTION REQUIRED			No
07/24/2014	673400879	SI	SI	ACTION REQUIRED			No
04/19/2013	669300492	XX	SI	ACTION REQUIRED	F		No
02/06/2012	662300170	XX	XX	ACTION REQUIRED			No
07/25/2011	200325505	DG	DG	SATISFACTORY			No

Inspector Comment:**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
423729	WELL	SI	11/27/2013	OW	057-06510	State 6-81-24-4	SI	<input checked="" type="checkbox"/>

Equipment:**Location Inventory**

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Special Purpose Pits: _____	Drilling Pits: <u>1</u>	Wells: <u>1</u>	Production Pits: _____
Condensate Tanks: _____	Water Tanks: <u>1</u>	Separators: <u>1</u>	Electric Motors: _____
Gas or Diesel Mortors: _____	Cavity Pumps: _____	LACT Unit: _____	Pump Jacks: _____
Electric Generators: _____	Gas Pipeline: <u>1</u>	Oil Pipeline: _____	Water Pipeline: _____
Gas Compressors: _____	VOC Combustor: _____	Oil Tanks: <u>4</u>	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	No signs anywhere on location.	Install sign to comply with rule 210.	08/25/2014
TANK LABELS/PLACARDS	ACTION REQUIRED	Incomplete tank labels.	Install sign to comply with rule 210.	08/25/2014
WELLHEAD	ACTION REQUIRED	No wellhead sign.	Install sign to comply with rule 210.	06/30/2015

Emergency Contact Number (S/A/V): ACTION Corrective Date: 08/25/2014

Comment: No contac number of any kind on location.

Corrective Action: Immediately install emergency contact information on location.

Good Housekeeping:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
WEEDS	ACTION REQUIRED	Noxious and annual weeds on location.	Implement and maintain a weed control program.	08/25/2014
STORAGE OF SUPL	ACTION REQUIRED	Tubing stored at wellhead and on east side of location and fencing on east side of location remain from previous inspection.	Remove all equipment not being used for production of this lease.	08/25/2014

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

Equipment:					
Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Vertical Heated Separator	1	SATISFACTORY			
Deadman # & Marked	4	SATISFACTORY			
Bird Protectors		ACTION REQUIRED	Inspector cannot tell if exhaust stacks have wildlife protection.	Install wildlife protection or provide proof of installation to inspector via email.	08/25/2014
Flare	1	SATISFACTORY	Not lit		
Pump Jack	1	SATISFACTORY			

Facilities: ☐ New Tank Tank ID: _____

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Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	1		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	Inadequate			Inadequate
Corrective Action	Berms must provide secondary containment with sufficient freeboard to contain precipitation. Berms must be constructed of sufficiently impervious material to contain a release and must be inspected at regular intervals and maintained as necessary.			Corrective Date 08/25/2014
Comment	Berm is low.			

Facilities: ☐ New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
CRUDE OIL	2		STEEL AST	40.480060,-106.440580
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	Inadequate			Inadequate
Corrective Action	Berms must provide secondary containment with sufficient freeboard to contain precipitation. Berms must be constructed of sufficiently impervious material to contain a release and must be inspected at regular intervals and maintained as necessary.			Corrective Date 08/25/2014
Comment	Berm is low.			

Venting:

Yes/No	Comment
NO	

Flaring:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Predrill

Location ID: 423729

Site Preparation:

Lease Road Adeq.: _____

Pads: _____

Soil Stockpile: _____

S/A/V: _____

Corrective Action: _____

Date: _____

CDP Num.: _____

Form 2A COAs:

Group	User	Comment	Date
OGLA	kubeczkod	<p>GENERAL SITES COAs:</p> <p>Reserve pit must be lined or a closed loop system must be implemented during drilling.</p> <p>Operator must ensure secondary containment for any volume of fluids contained at well site during drilling and completion 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 (i.e., best management practices (BMPs) associated with stormwater management) sufficiently protective of nearby surface water. Any berm constructed at the well pad location will be stabilized, inspected at regular intervals (at least every 14 days), and maintained in good condition.</p> <p>Flowback and stimulation fluids must be sent to tanks before the fluids can be placed into any pipeline or pit located on the well pad. The flowback and stimulation fluid tanks must be placed on the well pad in an area with additional downgradient perimeter berming. The area where flowback fluids will be stored/reused must be constructed to be sufficiently impervious to contain any spilled or released material (per Rule 604.a.(4)).</p> <p>Berms or other containment devices shall be constructed in compliance with Rule 604.a.(4) around crude oil, condensate, and produced water storage tanks.</p> <p>The moisture content of any drill cuttings in a cuttings pit, trench, or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts. At the time of closure, the drill cuttings must also meet the applicable standards of table 910-1.</p> <p>No portion of any pit that will be used to hold liquids shall be constructed on fill material, unless the pit and fill slope are designed and certified by a professional engineer, subject to review and approval by the director prior to construction of the pit. The construction and lining of the pit shall be supervised by a professional engineer or their agent. The entire base of the pit must be in cut.</p>	05/10/2011

S/A/V: ACTION**Comment:**

Berm around produced water and crude oil tanks is low and needs maintainance. Perimeter berm is also low in places and needs maintainence.

CA: Maintain berms to comply with COGCC rules and permit specific COA's.**Date:** 08/25/2014**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: _____

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Date Onsite Request Received: _____	Date of Rule 306 Consultation: _____
Request LGD Attendance: _____	
<u>LGD Contact Information:</u>	
Name: _____	Phone Number: _____
Agreed to Attend: _____	
<u>Summary of Landowner Issues:</u>	
<u>Summary of Operator Response to Landowner Issues:</u>	
<u>Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:</u>	

Facility

Facility ID: 423729 Type: WELL API Number: 057-06510 Status: SI Insp. Status: SI

Idle Well

Purpose: <input checked="" type="checkbox"/> Shut In <input type="checkbox"/> Temporarily Abandoned	Reminder: PRODUCTION RECORDS
S/A/V: ACTION	CA Date: 06/30/2015
CA: Submit production to be current.	
Comment: No production reported since December 2014.	

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 _____
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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 REVEGETATIONCropland

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 _____

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Overall Final Reclamation _____		Well Release on Active Location <input type="checkbox"/>		Multi-Well Location <input type="checkbox"/>		
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: SATISFACTOR Y Corrective Date: _____						
Comment: Stormwater is satisfactory by default, no apparent maintenance of berms or other BMPs.						
CA: _____						
Pits: <input type="checkbox"/> NO SURFACE INDICATION OF PIT						

COGCC Comments		
Comment	User	Date
Follow up to inspection from 6/30/2015 document number 673402215 no corrective actions have been made.	waldrone	10/08/2015

Attached Documents

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

Document Num	Description	URL
673402546	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3701381

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.)