

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:
10/26/2015

Document Number:
666801574

Overall Inspection:
SATISFACTORY

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>427767</u>	<u>427776</u>	<u>Murray, Richard</u>	<input type="checkbox"/>	

Operator Information:

OGCC Operator Number:	<u>10531</u>
Name of Operator:	<u>VANGUARD OPERATING LLC</u>
Address:	<u>5847 SAN FELIPE #3000</u>
City:	<u>HOUSTON</u> State: <u>TX</u> Zip: <u>77057</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
Ghan, Scott		sghan@vnrlc.com	Sr. EH&S
Axelson, Aaron	970-230-0926	aaxelson@vnrlc.com	Sr. Production Foreman

Compliance Summary:

QtrQtr: NESW Sec: 19 Twp: 6S Range: 91W

Inspector Comment:

Drilling permits expire 3/7/2016

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
427760	WELL	XX	01/29/2014	LO	045-21339	GGU Federal 23B-19-691	XX	<input checked="" type="checkbox"/>
427761	WELL	XX	01/29/2014	LO	045-21340	GGU Federal 22C-19-691	XX	<input checked="" type="checkbox"/>
427762	WELL	XX	01/29/2014	LO	045-21341	GGU Federal 22B-19-691	XX	<input checked="" type="checkbox"/>
427763	WELL	XX	01/27/2014	LO	045-21342	GGU Federal 13A-19-691	XX	<input checked="" type="checkbox"/>
427765	WELL	XX	01/29/2014	LO	045-21343	GGU Federal 23D-19-691	XX	<input checked="" type="checkbox"/>
427766	WELL	XX	01/29/2014	LO	045-21344	GGU Federal 23C-19-691	XX	<input checked="" type="checkbox"/>
427767	WELL	XX	01/29/2014	LO	045-21345	GGU Federal 22D-19-691	XX	<input checked="" type="checkbox"/>
427768	WELL	XX	01/28/2014	LO	045-21346	GGU Federal 13C-19-691	XX	<input checked="" type="checkbox"/>
427769	WELL	XX	01/29/2014	LO	045-21347	GGU Federal 23A-19-691	XX	<input checked="" type="checkbox"/>
427770	WELL	XX	01/29/2014	LO	045-21348	GGU Federal 33C-19-691	XX	<input checked="" type="checkbox"/>
427773	WELL	XX	01/29/2014	LO	045-21349	GGU Federal 33A-19-691	XX	<input checked="" type="checkbox"/>

Inspector Name: Murray, Richard

427777	WELL	XX	01/29/2014	LO	045-21350	GGU Federal 22A-19-691	XX	<input checked="" type="checkbox"/>
427778	WELL	XX	01/29/2014	LO	045-21351	GGU Federal 33B-19-691	XX	<input checked="" type="checkbox"/>
427781	WELL	XX	01/28/2014	LO	045-21352	GGU Federal 13B-19-691	XX	<input checked="" type="checkbox"/>
427783	WELL	XX	01/28/2014	LO	045-21353	GGU Federal 13D-19-691	XX	<input checked="" type="checkbox"/>

Equipment: Location Inventory

Special Purpose Pits: _____	Drilling Pits: _____	Wells: <u>15</u>	Production Pits: _____
Condensate Tanks: <u>6</u>	Water Tanks: <u>4</u>	Separators: <u>16</u>	Electric Motors: <u>1</u>
Gas or Diesel Mortors: <u>1</u>	Cavity Pumps: _____	LACT Unit: _____	Pump Jacks: _____
Electric Generators: _____	Gas Pipeline: <u>1</u>	Oil Pipeline: _____	Water Pipeline: <u>2</u>
Gas Compressors: <u>1</u>	VOC Combustor: <u>1</u>	Oil Tanks: _____	Dehydrator Units: _____
Multi-Well Pits: _____	Pigging Station: _____	Flare: _____	Fuel Tanks: _____

Location

Emergency Contact Number (S/A/V): _____ Corrective Date: _____

Comment: _____

Corrective Action: _____

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: 427767

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

S/A/V: _____
 Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:
S/A/V: _____ **Comment:** _____
CA: _____ **Date:** _____

Wildlife BMPs:

BMP Type	Comment
Drilling/Completion Operations	<p>BBC GENERAL PRACTICES NOTIFICATIONS</p> <ul style="list-style-type: none"> • Proper notifications required by COGCC regulations or policy memos will be adhered to <p>TRENCHES/PITS/TEMPORARY FRAC TANKS</p> <ul style="list-style-type: none"> • Unlined pits will not be constructed on fill material. • Drill cuttings from the wellbore will be directed into a lined and bermed surface containments. Any free liquids accumulated in the containment would be removed as soon as practicable. • Drilling pits utilized for completion operations will be permitted (if applicable) and lined, operated in accordance with COGCC regulations, specifically Rule 903 and Rule 904. All permitted pits (Form 15) will be closed per Rule 905 and non-permitted drilling pits would be closed in accordance with Rule 1003. • Drilling pits used for completion will be fenced with appropriate wildlife mesh on the bottom portion. Appropriate netting will be installed within 30 days of the pit becoming inactive. • Flowback and stimulation fluids from the wells being completed will be sent to tanks and/or filters to allow the sand to settle out before the fluids are placed into the pit for reuse or disposal at a BBC SWD facility. • All flowback water will be confined to the lined completion pit or storage tanks for a period not to exceed ninety days and will be recycled for re-use, piped or trucked offsite to one of the approved disposal facilities below. Flowback sands stored on location will be remediated and buried on location or hauled to a state approved disposal facility. <ul style="list-style-type: none"> o Circle B Land 33A-35-692SWD, API# 05-045-18493, UIC# 159277 o GGU Rodreick #21B-31-691 SWD, API# 05-045-13803, UIC# 159176 o Specialty #13A-28-692 SWD, API# 05-045-14054, UIC# 159212 o Scott 41D-36-692 SWD, API# 05-045-11169, UIC# 159159 • Temporary frac tanks installed on location will have proper secondary containment according to SPCC regulations such as either putting a perimeter berm around location or around the frac tanks.

Storm Water/Erosion Control

BBC STORM WATER AND SPILL CONTROL PRACTICES

GENERAL

- Utilize diking and other forms of containment and diversions around tanks, drums, chemicals, liquids, pits, impoundments, or well pads
- Use drip pans, sumps, or liners where appropriate
- Limit the amount of land disturbed during construction of pad, access road, and facilities
- Employ spill response plan (SPCC) for all facilities
- Dispose properly offsite any wastes fluids and other materials

MATERIAL HANDLING, ACTIVITIES, PRACTICES AND STORM WATER DIVERSION

- Secondary containment of tanks, drums, and storage areas is mandatory to prohibit discharges to surface waters. A minimum of 110% capacity required of largest storage tank within a containment area
- Material handling and spill prevention procedures and practices will be followed to help prohibit discharges to surface waters
- Proper loading, and transportation procedures to be followed for all materials to and from locations

EROSION CONTROL

- Pad and access road to be designed to minimize erosion
- Pad and access road to implement appropriate erosion control devices where necessary to minimize erosion
- Routine inspections of sites and controls to be implemented with additions, repairs, and optimization to occur as necessary to minimize erosion

SELF INSPECTION, MAINTENANCE, AND HOUSEKEEPING

- All employees are trained in spill response, good housekeeping, material management practices, and procedures for equipment and container washing annually
- Conduct internal storm water inspections per applicable stormwater regulations
- Conduct routine informal inspections of all tanks and storage facilities at least weekly
- All containment areas are to be inspected weekly or following a heavy rain event.
- Any excessive precipitation accumulation within containment should be removed as appropriate and disposed of properly
- All structural berms, dikes, and containment will be inspected periodically to ensure they are operating correctly

SPILL RESPONSE

- Spill response procedures as per the BBC field SPCC Plan

VEHICLE & LOCATION PROCEDURES

- Vehicles entering location are to be free of chemical, oil, mud, weeds, trash, and debris
- Location to be treated to kill weeds and bladed when necessary

Bill Barrett Corp. – CDPHE Stormwater Permit Number: COR-039752

Wildlife	<p>BBC WILDLIFE BEST MANAGEMENT PRACTICES GENERAL WILDLIFE AND ENVIRONMENTAL PROTECTION MEASURES</p> <ul style="list-style-type: none"> • Establish policies to protect wildlife (e.g., no poaching, no firearms, no dogs on location, no feeding of wildlife, etc.) • Promptly report spills that affect wildlife to the Water Quality Control Division of CDPHE and CDOW • Avoid location staging, refueling, and storage areas within 300 feet, of any reservoir, lake, wetland, or natural perennial or seasonal flowing stream or river. <p>INFRASTRUCTURE LAYOUT WILDLIFE PROTECTION MEASURES</p> <ul style="list-style-type: none"> • Implementing fugitive dust control measures • Limit parking to disturbed areas as much as possible <p>DRILLING AND PRODUCTION OPERATION WILDLIFE PROTECTION MEASURES</p> <ul style="list-style-type: none"> • Reduce visits to well-sites through remote monitoring (i.e. SCADA) and the use of multifunction contractors, where practicable. • Install exclusionary device to prevent bird and other wildlife access to equipment stacks, vents and openings. • Establish company guidelines to minimize wildlife mortality from vehicle collision on roads. <p>FLUID PIT/POND WILDLIFE PROTECTION MEASURES</p> <ul style="list-style-type: none"> • Install and maintain adequate measures to exclude all types of wildlife (e.g., big game and birds) from all fluid pits/ponds with fencing, flagging and other appropriate exclusion measures). BBC currently installs 6' wildlife proof fences on all pits and freshwater ponds with free liquids. In addition, BBC will install bird netting over "inactive" pits with free liquids after 30 days of inactivity. <p>INVASIVE/NON-NATIVE VEGETATION CONTROL</p> <ul style="list-style-type: none"> • Educate employees and contractors about noxious and invasive weed issues. <p>RESTORATION, RECLAMATION AND ABANDONMENT</p> <ul style="list-style-type: none"> • Avoid aggressive non-native grasses and shrubs in mule deer and elk habitat restorations. • Revegetate with seed mixtures that are of the surface owner's preference that are compatible with both livestock and wildlife.
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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: <u>427760</u>	Type: <u>WELL</u>	API Number: <u>045-21339</u>	Status: <u>XX</u>	Insp. Status: <u>XX</u>
Facility ID: <u>427761</u>	Type: <u>WELL</u>	API Number: <u>045-21340</u>	Status: <u>XX</u>	Insp. Status: <u>XX</u>
Facility ID: <u>427762</u>	Type: <u>WELL</u>	API Number: <u>045-21341</u>	Status: <u>XX</u>	Insp. Status: <u>XX</u>
Facility ID: <u>427763</u>	Type: <u>WELL</u>	API Number: <u>045-21342</u>	Status: <u>XX</u>	Insp. Status: <u>XX</u>
Facility ID: <u>427765</u>	Type: <u>WELL</u>	API Number: <u>045-21343</u>	Status: <u>XX</u>	Insp. Status: <u>XX</u>
Facility ID: <u>427766</u>	Type: <u>WELL</u>	API Number: <u>045-21344</u>	Status: <u>XX</u>	Insp. Status: <u>XX</u>
Facility ID: <u>427767</u>	Type: <u>WELL</u>	API Number: <u>045-21345</u>	Status: <u>XX</u>	Insp. Status: <u>XX</u>
Facility ID: <u>427768</u>	Type: <u>WELL</u>	API Number: <u>045-21346</u>	Status: <u>XX</u>	Insp. Status: <u>XX</u>
Facility ID: <u>427769</u>	Type: <u>WELL</u>	API Number: <u>045-21347</u>	Status: <u>XX</u>	Insp. Status: <u>XX</u>
Facility ID: <u>427770</u>	Type: <u>WELL</u>	API Number: <u>045-21348</u>	Status: <u>XX</u>	Insp. Status: <u>XX</u>
Facility ID: <u>427773</u>	Type: <u>WELL</u>	API Number: <u>045-21349</u>	Status: <u>XX</u>	Insp. Status: <u>XX</u>
Facility ID: <u>427777</u>	Type: <u>WELL</u>	API Number: <u>045-21350</u>	Status: <u>XX</u>	Insp. Status: <u>XX</u>
Facility ID: <u>427778</u>	Type: <u>WELL</u>	API Number: <u>045-21351</u>	Status: <u>XX</u>	Insp. Status: <u>XX</u>
Facility ID: <u>427781</u>	Type: <u>WELL</u>	API Number: <u>045-21352</u>	Status: <u>XX</u>	Insp. Status: <u>XX</u>
Facility ID: <u>427783</u>	Type: <u>WELL</u>	API Number: <u>045-21353</u>	Status: <u>XX</u>	Insp. Status: <u>XX</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:

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

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 _____

Inspector Name: Murray, Richard

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