

**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:

11/04/2015

Document Number:

680700913

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

| | | | | | |
|---------------------|-------------|--------|-----------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | 285557 | 306099 | Peterson, Tom | <input type="checkbox"/> | |

Operator Information:OGCC Operator Number: 47120Name of Operator: KERR MCGEE OIL & GAS ONSHORE LPAddress: P O BOX 173779City: DENVER State: CO Zip: 80217-

- ☐ 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 |
|--------------|----------------|-------------------------------|-----------------|
| , | | cogccinspections@anadarko.com | All inspections |
| Reddy, Luke | | luke.reddy@anadarko.com | All inspections |
| Avant, Paul | (720) 929-6457 | paul.avant@anadarko.com | All inspections |

Compliance Summary:

| | | | | | | | |
|---------------------|-----------|----------------|----------------|-------------------------------|----------|----------------|-----------------|
| QtrQtr: <u>NWSW</u> | | Sec: <u>28</u> | Twp: <u>4N</u> | Range: <u>68W</u> | | | |
| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Action Required | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
| 01/18/2007 | 200102825 | SR | ND | SATISFACTORY | P | Pass | No |

Inspector Comment:**Related Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status | |
|-------------|------|--------|-------------|------------|-----------|---------------|-------------|-------------------------------------|
| 285557 | WELL | PR | 07/11/2008 | OW | 123-23989 | WC LAND 28-32 | SI | <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 |
| WELLHEAD | SATISFACTORY | | | |
| BATTERY | ACTION REQUIRED | Well is not represented in battery signage. See attached photo. | Install sign to comply with rule 210. | 12/31/2015 |
| TANK LABELS/PLACARDS | ACTION REQUIRED | Small produced water vault lacks all placarding. See attached photo. | Install sign to comply with rule 210. | 12/31/2015 |

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

Corrective Date: _____

Comment: _____

Corrective Action: _____

| Good Housekeeping: | | | | |
|---------------------------|------------------------------|--|--------------------------------|------------|
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| STORAGE OF SUPL | ACTION REQUIRED | Unused sight tubes behind crude oil tanks. See attached photo. | Utilize or remove sight tubes. | 12/31/2015 |

| 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 |
| WELLHEAD | SATISFACTORY | Panel | | |

| Equipment: | | | | | |
|-----------------------------|---|------------------------------|---|-------------------|---------|
| Type | # | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| Horizontal Heated Separator | 1 | SATISFACTORY | N40.28224 W-105.01740 | | |
| Ancillary equipment | 4 | SATISFACTORY | Two ECD scrubbers and two automation arrays | | |
| Gas Meter Run | 1 | SATISFACTORY | | | |
| Emission Control Device | 1 | SATISFACTORY | N40.28225 W-105.01740 | | |
| Plunger Lift | 1 | SATISFACTORY | | | |
| Bird Protectors | 2 | SATISFACTORY | | | |

| | | | | | | |
|--------------------|--------------|-----------------------------------|----------------|------------------|-----------------------|--|
| Facilities: | | <input type="checkbox"/> New Tank | Tank ID: _____ | | | |
| Contents | | # | Capacity | Type | SE GPS | |
| PRODUCED WATER | | 1 | <100 BBLS | PBV CONCRETE | 40.281910,-105.017470 | |
| S/A/V: | SATISFACTORY | | Comment: | Unknown capacity | | |
| Corrective Action: | | | | | Corrective Date: | |

Inspector Name: Peterson, Tom

| | | | | |
|------------------------|--------------------|---------------------|---------------------|-----------------|
| <u>Paint</u> | Condition Adequate | | | |
| Other (Content) _____ | | | | |
| Other (Capacity) _____ | | | | |
| Other (Type) _____ | | | | |
| <u>Berms</u> | | | | |
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Metal | Adequate | Walls Sufficient | Base Sufficient | Adequate |
| Corrective Action | | | | Corrective Date |
| Comment | | | | |

Facilities: ☐ New Tank Tank ID: _____

| | | | | |
|--------------------|--------------|----------|----------------|-----------------------|
| Contents | # | Capacity | Type | SE GPS |
| PRODUCED WATER | 1 | 100 BBLS | PBV FIBERGLASS | 40.281910,-105.017470 |
| S/A/V: | SATISFACTORY | | Comment: | |
| Corrective Action: | | | | Corrective Date: |

| | | | | |
|------------------------|--------------------|---------------------|---------------------|-----------------|
| <u>Paint</u> | Condition Adequate | | | |
| Other (Content) _____ | | | | |
| Other (Capacity) _____ | | | | |
| Other (Type) _____ | | | | |
| <u>Berms</u> | | | | |
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Metal | Adequate | Walls Sufficient | Base Sufficient | Adequate |
| Corrective Action | | | | Corrective Date |
| Comment | | | | |

Facilities: ☐ New Tank Tank ID: _____

| | | | | |
|--------------------|--------------|----------|-----------|-----------------------|
| Contents | # | Capacity | Type | SE GPS |
| CRUDE OIL | 2 | 300 BBLS | STEEL AST | 40.281910,-105.017470 |
| S/A/V: | SATISFACTORY | | Comment: | |
| Corrective Action: | | | | Corrective Date: |

| | | | | |
|------------------------|--------------------|---------------------|---------------------|-----------------|
| <u>Paint</u> | Condition Adequate | | | |
| Other (Content) _____ | | | | |
| Other (Capacity) _____ | | | | |
| Other (Type) _____ | | | | |
| <u>Berms</u> | | | | |
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Metal | Adequate | Walls Sufficient | Base Sufficient | Adequate |
| Corrective Action | | | | Corrective Date |
| Comment | | | | |

Inspector Name: Peterson, Tom

| | |
|-----------------|---------|
| Venting: | |
| Yes/No | Comment |
| NO | |

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

Predrill

Location ID: 285557

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:

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: 285557 Type: WELL API Number: 123-23989 Status: PR Insp. Status: SI

Idle WellPurpose: ☒ Shut In ☐ Temporarily Abandoned Reminder: _____

S/A/V: _____ CA Date: _____

CA: _____

Comment: Last reported production 2/2015

BradenHead

Comment: Bradenhead is exposed at surface.

CA: _____

CA Date: _____

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): Y _____

Comment: Well is currently SI

Pilot: OFF Wildlife Protection Devices (fired vessels): YES

Reclamation - Storm Water - Pit**Interim Reclamation:**

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: _____

Comment: _____

1003a. Debris removed? Pass CM _____

CA _____ CA Date _____

Waste Material Onsite? Pass CM _____

CA _____ CA Date _____

Unused or unneeded equipment onsite? Pass CM _____

CA _____ CA Date _____

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

CA _____ CA Date _____

Guy line anchors removed? Pass CM _____

CA _____ CA Date _____

Inspector Name: Peterson, Tom

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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Gravel | Pass | Gravel | Pass | | | |

S/A/V: SATISFACTOR _____ Corrective Date: _____

Y

Comment: _____

CA: _____

Inspector Name: Peterson, Tom

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 |
|--------------|--------------|---|
| 680700914 | Battery sign | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3715176 |
| 680700915 | Sight tubes | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3715177 |

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.)