

**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:

11/23/2015

Document Number:

675101950

Overall Inspection:

SATISFACTORY**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	427464	427485	GRANAHAN, KYLE	<input type="checkbox"/>	

Operator Information:OGCC Operator Number: 47200Name of Operator: KGH OPERATING COMPANYAddress: P O BOX 2235City: BILLINGS State: MT Zip: 59103-

- ☒ 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
Hohn, Thomas	406-655-3381	kgh@hohneng.com	all inspections

Compliance Summary:QtrQtr: Lot 7 Sec: 3 Twp: 1S Range: 104W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
12/18/2014	675100778	PR	PR	ACTION REQUIRED			No
04/01/2014	673500915	PR	PR	ACTION REQUIRED			No

Inspector Comment:Follow up inspection in regards to inspection doc # 675100778 - required corrective actions have been implemented.**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
427464	WELL	PR	11/01/2012	GW	103-11910	MEAGHER 3-1H	PR	<input checked="" type="checkbox"/>

Equipment:Location Inventory

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

Location**Signs/Marker:**

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
CONTAINERS	SATISFACTORY			

Inspector Name: GRANAHAH, KYLE

TANK LABELS/PLACARDS	SATISFACTORY			
WELLHEAD	SATISFACTORY			
BATTERY	SATISFACTORY			

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

Corrective Date: _____

Comment: 406-655-3381

Corrective Action: _____

Spills:

Type	Area	Volume	Corrective action	CA Date
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☐ Multiple Spills and Releases?**Equipment:**

Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Emission Control Device	1	SATISFACTORY			
Deadman # & Marked	4	SATISFACTORY			
Bird Protectors	1	SATISFACTORY			
Horizontal Heated Separator	1	SATISFACTORY			
Ancillary equipment	3	SATISFACTORY	Chemical injection totes w/secondary containment.		

Facilities:☐ New Tank

Tank ID: _____

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	1	100 BBLS	STEEL AST	,

S/A/V: SATISFACTORY

Comment: Same containment as condensate tanks

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

Corrective Action	Corrective Date
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Comment

Facilities:☐ New Tank

Tank ID: _____

Contents	#	Capacity	Type	SE GPS
CONDENSATE	3	400 BBLS	HEATED STEEL AST	,

S/A/V: SATISFACTORY

Comment: _____

Corrective Action: _____

Corrective Date: _____

Paint

Inspector Name: GRANAHAN, KYLE

Condition	Adequate
Other (Content)	
Other (Capacity)	
Other (Type)	
Berms	
Type	Capacity
Earth	Adequate
Permeability (Wall)	Walls Sufficient
Permeability (Base)	Base Sufficient
Maintenance	Adequate
Corrective Action	Corrective Date
Comment	Compacted earth base and berms

Venting:	
Yes/No	Comment
NO	

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

Predrill

Location ID: 427464

Site Preparation:

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

S/AV: _____

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

Form 2A COAs:

Group	User	Comment	Date
OGLA	kubeczkod	<p>SITE SPECIFIC COAs:</p> <p>Operator must ensure 110 percent 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, 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>Flowback and stimulation fluids must be sent to tanks, separators, or other containment/filtering equipment before the fluids can be placed into any pipeline or pit located on the well pad or into tanker trucks for offsite disposal. The flowback and stimulation fluid tanks, separators, or other containment/filtering equipment 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.</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, if drill cuttings are to remain/disposed of onsite, or to be recycled and used offsite, the drill cuttings must also meet the applicable standards of table 910-1.</p>	12/27/2011

S/A/V: SATISFACTORY**Comment:**

COA's met at time of inspection

CA:**Date:****Wildlife BMPs:**

BMP Type	Comment
Wildlife	<p>1. WHERE OIL AND GAS ACTIVITIES MUST OCCUR IN MULE DEER CRITICAL WINTER RANGE OR ELK WINTER CONCENTRATION AREAS, CONDUCT THESE ACTIVITIES OUTSIDE OF THE TIME PERIOD DECEMBER 1 THROUGH APRIL 15 (CONSTRUCTION AND DRILLING)</p> <p>2. RESTRICT POST DEVELOPMENT WELL SITE VISITATIONS TO BETWEEN THE HOURS OF 10:00 AM AND 3:00 PM, AND REDUCE WELL SITE VISITATIONS BETWEEN DECEMBER 1 AND APRIL 15 IN MULE DEER AND ELK WINTER RANGE.</p> <p>3. ESTABLISH COMPANY GUIDELINES TO MINIMIZE WILDLIFE MORTALITY FROM VEHICLE COLLISIONS ON ROADS.</p> <p>4. GATE SINGLE-PURPOSE ROADS AND RESTRICT GENERAL PUBLIC ACCESS TO REDUCE TRAFFIC DISRUPTIONS TO WILDLIFE.</p> <p>5. CLOSE AND IMMEDIATELY RECLAIM ALL ROADS THAT ARE REDUNDANT, NOT USED REGULARLY, OR HAVE BEEN ABANDONED TO THE MAXIMUM EXTENT POSSIBLE TO MINIMIZE DISTURBANCE AND HABITAT FRAGMENTATION.</p> <p>6. AVOID AGGRESSIVE NON-NATIVE GRASSES AND SHRUBS IN MULE DEER AND ELK HABITAT RESTORATION.</p> <p>7. RECLAIM MULE DEER AND ELK HABITAT WITH NATIVE SHRUBS, GRASSES, AND FORBS APPROPRIATE TO THE ECOLOGICAL SITE DISTURBED.</p> <p>8. RESTORE APPROPRIATE SAGEBRUSH SPECIES OR SUBSPECIES ON DISTURBED SAGEBRUSH SITES. USE LOCALLY COLLECTED SEED FOR RESEEDING WHERE POSSIBLE.</p>
Storm Water/Erosion Control	<p>STORMWATER MANAGEMENT WILL BE MANAGED UNDER KGH OPERATING COMPANY'S (KGH) PROPOSED STORMWATER MANAGEMENT PLAN PREPARED FOR THE PROJECT AREA. A STORMWATER PLAN AND PERMIT WILL BE SUBMITTED TO CDPHE AS REQUIRED. PRIOR TO CONSTRUCTION A STORMWATER "PERIMETER" WILL BE BUILT AROUND THE SITE FOR INITIAL WORK PURPOSES. ONCE THE PAD CONSTRUCTION IS COMPLETED, THE SITE WILL BE INSPECTED AND ANY NECESSARY EROSION CONTROL DEVICES NEEDED TO MANAGE SEDIMENT DISCHARGE FROM THE PAD WILL BE INSTALLED. THESE DEVICES MAY INCLUDE BUT ARE NOT LIMITED TO:</p> <ul style="list-style-type: none"> - ROCK CHECK DAMS - SETTLING PONDS - STRAW WADDLES - SILT FENCING (USED SPARINGLY)
Material Handling and Spill Prevention	<p>SPILL PREVENTION AND CONTROL AND COUNTER MEASURES (SPCC)</p> <p>ONCE THE WELLS ARE DRILLED AND COMPLETED ONSITE KGH WILL PREPARE AN SPCC PLAN FOR THE SITE.</p>

S/A/V:**Comment:****CA:****Date:****Stormwater:****Comment:****Staking:****On Site Inspection (305):**

Inspector Name: GRANAHAH, KYLE

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: 427464 Type: WELL API Number: 103-11910 Status: PR Insp. Status: PR

Producing Well

Comment: Well PR - no leaks/venting present

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:

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? <u>Pass</u> CM _____ CA _____ CA Date _____ Waste Material Onsite? <u>Pass</u> CM _____ CA _____ CA Date _____ Unused or unneeded equipment onsite? <u>Pass</u> 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? <u>Pass</u> CM _____ CA _____ CA Date _____
1003b.	Area no longer in use? <u>Pass</u> Production areas stabilized ? <u>Pass</u>
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	
<u>Cropland</u>	
Top soil replaced _____	Recontoured _____ Perennial forage re-established _____
<u>Non-Cropland</u>	
Top soil replaced _____	Recontoured _____ 80% Revegetation _____
1003 f.	Weeds Noxious weeds? _____
Comment: <div style="border: 1px solid black; height: 20px;"></div>	
Overall Interim Reclamation _____	

Date Final Reclamation Started: _____	Date Final Reclamation Completed: _____
Final Land Use: <u>RANGELAND</u>	
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:	_____

Inspector Name: GRANAHAN, KYLE

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					
Compaction	Pass					
		Compaction	Pass			
		Gravel	Pass			
				MHSP	Pass	

S/A/V: SATISFACTOR
Y

Corrective Date:

Comment: No sediment flow present.

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
675101950	INSPECTION APPROVED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3728304