

**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:  
11/25/2015

Document Number:  
673712037

Overall Inspection:

**ACTION REQUIRED**

**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>204261</u>	<u>320651</u>	<u>Sherman, Susan</u>	<input type="checkbox"/>	

**Operator Information:**

OGCC Operator Number:	<u>19035</u>
Name of Operator:	<u>OVERLAND RESOURCES LLC</u>
Address:	<u>SUITE C18 PMB 440</u>
City:	<u>GREENWOOD</u> State: <u>CO</u> Zip: <u>80121</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
Pandolfo, Chris	(650) 387-6506	cpandolfo@gmail.com	
Axelson, John		john.axelson@state.co.us	
Behrens, Vic	(303) 810-6382	behrens@netecin.net	
Quint, Craig		craig.quint@state.co.us	

**Compliance Summary:**

QtrQtr:	<u>NWNE</u>	Sec:	<u>28</u>	Twp:	<u>4S</u>	Range:	<u>62W</u>
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Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
08/10/2015	673711231	PR	PR	SATISFACTORY			No
05/15/2015	673710441	PR	FR	ACTION REQUIRED			No
11/29/2011	664000176	PR	PR	ACTION REQUIRED	P		No
10/01/2007	200125356	PR	PR	ACTION REQUIRED			Yes
12/05/2005	200081278	PR	PR	ACTION REQUIRED		Fail	No
03/04/1997	500134313	PR	PR			Fail	Yes
03/17/1995	500134308	PR	PR			Pass	

**Inspector Comment:**

**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
109622	PIT	CL	09/23/1999		-	REEVES 28-31	CL <input type="checkbox"/>
204261	WELL	PR	01/31/2010	OW	005-06345	REEVES 28-31	PR <input checked="" type="checkbox"/>

**Equipment:**

Location Inventory

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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**

<b>Signs/Marker:</b>				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
CONTAINERS	SATISFACTORY			
WELLHEAD	SATISFACTORY			
TANK LABELS/PLACARDS	SATISFACTORY			
BATTERY	SATISFACTORY			

Emergency Contact Number (S/A/V): SATISFACTORY Corrective Date: \_\_\_\_\_

Comment: \_\_\_\_\_

Corrective Action: \_\_\_\_\_

<b>Spills:</b>				
Type	Area	Volume	Corrective action	CA Date
Crude Oil	Treater	<= 1 bbl	Remove or remediate stained soils from fire and provide confirmation samples of cleanup to COGCC EPS.	12/28/2015

Multiple Spills and Releases?

<b>Fencing/:</b>				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
TANK BATTERY	SATISFACTORY	barbed wire		
PUMP JACK	SATISFACTORY	steel panels		
WELLHEAD	SATISFACTORY	barbed wire		

<b>Equipment:</b>					
Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Bird Protectors	1	SATISFACTORY	One on VHT may require maintenance because of fire.		
Veritcal Heater Treater	1		Fire tube gasket malfuction caused fire (see attached photos). 39.68032, - 104.32870		

Ancillary equipment	3		Solar panel scorched from fire (see attached photo). May require maintenance. Radio telemetry @ GMR. Gas scrubber @ well.		
Pump Jack	1	SATISFACTORY			
Prime Mover	1	SATISFACTORY	shed, gas engine		
Deadman # & Marked	4	SATISFACTORY			
Gas Meter Run	1	SATISFACTORY	Outside door slightly scorched from fire (see attached photo). GMR may require maintenance.		

**Facilities:**  New Tank Tank ID: \_\_\_\_\_

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	1	OTHER		

S/A/V: \_\_\_\_\_ Comment: Bird cover on tank blew off. Pumper contacted and will fix on 11/25/2015.

Corrective Action: \_\_\_\_\_ Corrective Date: \_\_\_\_\_

Paint

Condition

Other (Content) \_\_\_\_\_

Other (Capacity) 75 BBLs

Other (Type) \_\_\_\_\_

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance

Corrective Action \_\_\_\_\_ Corrective Date \_\_\_\_\_

Comment same berms as crude oil tanks

**Facilities:**  New Tank Tank ID: \_\_\_\_\_

Contents	#	Capacity	Type	SE GPS
CRUDE OIL	2	400 BBLS	STEEL AST	39.680310,-104.328930

S/A/V: SATISFACTORY Comment: \_\_\_\_\_

Corrective Action: \_\_\_\_\_ Corrective Date: \_\_\_\_\_

Paint

Condition Adequate

Other (Content) \_\_\_\_\_

Other (Capacity) \_\_\_\_\_

Other (Type) \_\_\_\_\_

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate	Walls Sufficient	Base Sufficient	Adequate

Corrective Action		Corrective Date	
Comment			

<b>Venting:</b>	
Yes/No	Comment

<b>Flaring:</b>				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

**Predrill**

Location ID: 204261

**Site Preparation:**

Lease Road Adeq.: \_\_\_\_\_ Pads: \_\_\_\_\_ Soil Stockpile: \_\_\_\_\_

**S/A/V:** \_\_\_\_\_

Corrective Action: \_\_\_\_\_ Date: \_\_\_\_\_ CDP Num.: \_\_\_\_\_

**Form 2A COAs:**

**S/A/V:** SATISFACTORY **Comment:** No COAs.

**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: 204261 Type: WELL API Number: 005-06345 Status: PR Insp. Status: PR

**Producing Well**

Comment: PR. Sept 2015 reported to COGCC database. Well was temporarily shut in because of the treater fire.

**Complaint**

Comment: Complaint #200438057.

COGCC Field Inspector Sherman contacted Mr. Behrens, who is the pumper for the well, at approximately 9:30 am on 11/25/2015 about the vertical heater treater fire south of Strasburg, Colorado. He identified the well as the Reeves 28-31 that is owned by Overland Resources LLC with API# 05-005-06345. Per Mr. Behrens the landowner heard a loud sound and saw the fire at the treater located at the well's tank battery at approximately 6:10-6:15 am on 11/25/2015. The local fire department was called and Vic Behrens was called at approximately 6:30 am. Mr. Behrens said that he coordinated with the local fire department to minimize environmental damage while also controlling the fire as quickly as possible by first telling the fire department to control the perimeter while he shut-in the well. By doing this, he observed that the fire in the treater went out immediately and the fire department then put water on the vessel to cool it down. A puddle of water and melted snow was observed on the SE corner of the treater berms and the snow to the south of the treater was melted. There was no oil sheen in the water puddle. It is estimated by Mr. Behrens that approximately 1 BBL of oil or less was released both inside and outside the treater's berms combined. This amount was also observed by Inspector Sherman. Scorched oil from the fire was spread approximately 15' to the east of the eastern treater berm and approximately 40' north of the northern treater berm, including a fine mist of oil that landed on the snow.

COGCC Field Inspector Sherman contacted Mr. Dougherty at approximately 2:02 pm on 11/25/2015 after gathering information from Vic Behrens and inspecting the location of the vertical heater treater fire at well #05-005-06345, Overland Resources LLC, Reeves 28-31, in response to his complaint on 11/25/2015. Mr. Dougherty was told that the fire was the result of a fire tube gasket malfunction in the treater and that a minimal amount of oil was released during the fire. Inspector Sherman told Mr. Dougherty that both fires that he referred to were treater fires and not vapor recovery unit/tower fires. Each fire had a different cause. Mr. Dougherty said that he appreciated this response and the complaint could be closed.

**Idle Well**

Purpose:  Shut In  Temporarily Abandoned Reminder: \_\_\_\_\_

S/A/V: \_\_\_\_\_ CA Date: \_\_\_\_\_

CA: \_\_\_\_\_

Comment: \_\_\_\_\_

**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: \_\_\_\_\_

Comment: pasture

- 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: \_\_\_\_\_

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 \_\_\_\_\_

Inspector Name: Sherman, Susan

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
Compaction	Pass	Compaction	Pass	MHSP	Pass	
Gravel	Pass	Gravel	Pass			

S/A/V: SATISFACTOR Corrective Date: \_\_\_\_\_  
Y \_\_\_\_\_  
Comment: MHSP at wellhead complete.  
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
673712038	Overland Resources Reeves 28-31	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3729381">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3729381</a>

## **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.)