

**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
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Inspection Date:
11/30/2015Document Number:
673402698Overall Inspection:
SATISFACTORY**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	434521	434520	Waldron, Emily	<input type="checkbox"/>	

Operator Information:OGCC Operator Number: 10396Name of Operator: SWN PRODUCTION COMPANY LLCAddress: PO BOX 12359City: SPRING State: TX Zip: 77391

- ☐ 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
Rowell, Cheryl	713-542-0648	Cheryl_Rowell@swn.com	Senior Regulatory Analyst

Compliance Summary:QtrQtr: NWSW Sec: 22 Twp: 6N Range: 88W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
03/30/2015	673401978	DG	PR	SATISFACTORY			No
12/23/2014	673401594	DG	WO	SATISFACTORY			No
08/05/2014	673400951	DG	DG	SATISFACTORY			No

Inspector Comment:**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
434521	WELL	SI	06/11/2015	OW	107-06260	Dill Gulch 1-22	SI	<input checked="" type="checkbox"/>
442475	WELL	XX	07/13/2015		107-06264	DILL GULCH 6-88 2-22H21	XX	<input type="checkbox"/>

Equipment:Location Inventory

Special Purpose Pits: _____	Drilling Pits: _____	Wells: <u>2</u>	Production Pits: _____
Condensate Tanks: _____	Water Tanks: <u>2</u>	Separators: <u>2</u>	Electric Motors: <u>1</u>
Gas or Diesel Mortors: <u>1</u>	Cavity Pumps: _____	LACT Unit: _____	Pump Jacks: <u>1</u>
Electric Generators: _____	Gas Pipeline: _____	Oil Pipeline: _____	Water Pipeline: _____
Gas Compressors: <u>1</u>	VOC Combustor: <u>1</u>	Oil Tanks: <u>3</u>	Dehydrator Units: _____
Multi-Well Pits: _____	Pigging Station: _____	Flare: _____	Fuel Tanks: <u>1</u>

Location

Inspector Name: Waldron, Emily

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

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

Comment: _____

Corrective Action: _____

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
Flare	1	SATISFACTORY			
Other	1	SATISFACTORY	Linear rod pump		
Horizontal Heater Treater	1	SATISFACTORY			
Gas Meter Run	1	SATISFACTORY			
Bird Protectors		SATISFACTORY			

Facilities: ☐ New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	1	400 BBLS	STEEL AST	40.462090,-107.256700

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
Metal	Adequate			Adequate

Corrective Action: _____ Corrective Date: _____

Comment: _____

Facilities: ☐ New Tank Tank ID: _____

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

S/A/V: SATISFACTORY Comment: _____

Corrective Action: _____ Corrective Date: _____

Inspector Name: Waldron, Emily

Paint

Condition	Adequate
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Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal	Adequate			Adequate

Corrective Action		Corrective Date	
Comment			

Venting:

Yes/No	Comment
NO	

Flaring:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Ignitor/Combustor	SATISFACTORY			

Predrill

Location ID: 434521

Site Preparation:

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

S/A/V: _____

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

Form 2A COAs:

Group	User	Comment	Date
OGLA	kubeczkd	<p>PREVIOUS FORM 2A#400427097, OGCC ID#434520 COAs:</p> <p>GENERAL SITE COAs:</p> <ul style="list-style-type: none"> * Notify the COGCC 48 hours prior to start of pad construction, rig mobilization, spud, and start of hydraulic stimulation operations using Form 42 (the appropriate COGCC individuals will automatically be email notified, including the LGD for hydraulic stimulation operations). * Operator must implement best management practices to contain any unintentional release of fluids, including any fluids conveyed via temporary surface or buried pipelines. * Operator must ensure secondary containment for any volume of fluids contained at well site during drilling and completion operations (as described on the BMPs tab and shown on the Construction Layout Drawings and Location Drawing attachments); 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. * A closed loop system must be implemented during drilling (which operator has indicated on the Form 2A). * All cuttings generated during drilling with oil based muds or high chloride/TDS mud must be kept in containers, a lined/bermed portion of the well pad, or the lined drilling pit (if permitted and constructed) prior to offsite disposal. The moisture content of any drill cuttings in a cuttings pit, trench, or pile shall be as low 	07/06/2015

		<p>as practicable to prevent accumulation of liquids greater than de minimis amounts.</p> <p>* The moisture content of any freshwater mud generated 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 the freshwater mud generated drill cuttings are to be left onsite, they must also meet the applicable standards of table 910-1.</p> <p>* If the wells are to be hydraulically stimulated, 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 storage vessel 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 constructed to be sufficiently impervious to contain any spilled or released material.</p> <p>* Berms or other containment devices shall be constructed to be sufficiently impervious (corrugated steel with poly liner) to contain any spilled or released material around crude oil, condensate, and produced water storage tanks.</p> <p>PIPELINE COAs:</p> <p>* Operator shall pressure test pipelines in accordance with Rule 1101.e.(1) prior to putting into initial service any temporary surface or permanent buried pipelines and following any reconfiguration of the pipeline network.</p> <p>* Operator must implement best management practices to contain any unintentional release of fluids along all portions of the surface pipeline route where temporary pumps and other necessary equipment are located.</p> <p>* Operator must routinely inspect the entire length of the surface pipeline to ensure integrity. Operator shall conduct daily inspections of surface poly pipeline routes for leaks during active transfer of fluids. Inspections shall be conducted by viewing the length of the pipeline; operator will endeavor to minimize surface disturbance during pipeline monitoring. The operator shall maintain records of inspections, findings and repairs, if necessary, for the life of the pipelines.</p> <p>* Operator must ensure secondary containment for any potential volume of fluids that may be released from the surface pipeline at all sensitive area crossings, including, but not limited to stream, intermittent stream, ditch, and drainage crossings.</p> <p>* Operator will utilize, to the extent practical, all existing access and other public roads, and/or existing pipeline right-ofways, when placing/routing the surface pipelines. This will reduce surface disturbance and fragmentation of wildlife habitat in the area.</p>	
OGLA	kubeczkd	<p>Initiated/Completed OGLA Form 2A review on 07-06-15 by Dave Kubeczko; previously submitted (2A#400427097) and approved (10-04-13) Form 2A; same COAs apply - notification, fluid containment, spill/release BMPs, tank berming, flowback to tanks, use of salt/oil based muds, closed loop and cuttings containment, Rule 609 GW sampling, and cuttings low moisture content; previous onsite conducted by CPW/COGCC/Routt County in 2013; Routt County LGD comments, dated 05-21-15, are same as those submitted on original Form 2A (LGD comments dated 08-19-13), and were addressed on 09-23-13 for that permit; passed by CPW on 05-21-15 with no wildlife BMPs recommended; passed OGLA Form 2A review on 07-13-15 by Dave Kubeczko; notification, fluid containment, spill/release BMPs, tank berming, flowback to tanks, use of salt/oil based muds, closed loop and cuttings containment, Rule 609 GW sampling, and cuttings low moisture content COAs.</p>	07/06/2015

OGLA	kubeczkd	<p>PIPELINE COAs:</p> <p>Operator shall pressure test pipelines in accordance with Rule 1101.e.(1) prior to putting into initial service any temporary surface or permanent buried pipelines and following any reconfiguration of the pipeline network. Operator shall notify the COGCC Oil and Gas Location Assessment (OGLA) Specialist for Western Colorado (Dave Kubeczko; email dave.kubeczko@state.co.us) and the COGCC Field Inspection Supervisor for Northwest Colorado (Shaun Kellerby; email shaun.kellerby@state.co.us) 48 hours prior to testing surface poly/steel or buried poly/steel pipelines.</p> <p>Operator must implement best management practices to contain any unintentional release of fluids along all portions of the surface pipeline route where temporary pumps and other necessary equipment are located.</p> <p>Operator must routinely inspect the entire length of the surface pipeline to ensure integrity. Operator shall conduct daily inspections of surface poly pipeline routes for leaks during active transfer of fluids. Inspections shall be conducted by viewing the length of the pipeline; operator will endeavor to minimize surface disturbance during pipeline monitoring. The operator shall maintain records of inspections, findings and repairs, if necessary, for the life of the pipelines.</p> <p>Operator must ensure 110 percent secondary containment for any potential volume of fluids that may be released from the surface pipeline at all sensitive area crossings, including, but not limited to stream, intermittent stream, ditch, and drainage crossings.</p> <p>Operator will utilize, to the extent practical, all existing access and other public roads, and/or existing pipeline right-of-ways, when placing/routing the surface pipelines. This will reduce surface disturbance and fragmentation of wildlife habitat in the area.</p>	09/10/2013
OGLA	kubeczkd	<p>GROUNDWATER MONITORING COA:</p> <p>Operator shall comply with Rule 609. STATEWIDE GROUNDWATER BASELINE SAMPLING AND MONITORING.</p>	09/10/2013

OGLA	kubeczkd	<p>GENERAL SITE COAs:</p> <p>Notify the COGCC 48 hours prior to start of pad construction, rig mobilization, spud, and start of hydraulic stimulation operations using Form 42 (the appropriate COGCC individuals will automatically be email notified, including the LGD for hydraulic stimulation operations).</p> <p>Operator must implement best management practices to contain any unintentional release of fluids, including any fluids conveyed via temporary surface or buried pipelines.</p> <p>Operator must ensure secondary containment for any volume of fluids contained at well site during drilling and completion operations (as described on the BMPs tab and shown on the Construction Layout Drawings and Location Drawing attachments); 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>A closed loop system must be implemented during drilling (which operator has indicated on the Form 2A); or, if a closed loop system drilling rig is not used/available, then an amended Form 2A will need to be submitted/approved to include a drilling pit, and a Form 15 Earthen Pit Permit will also need to be submitted/approved prior to construction of the pit (the drilling pit will be required to be lined, fenced, and netted).</p> <p>All cuttings generated during drilling with oil based muds or high chloride/TDS mud must be kept in containers, a lined/bermed portion of the well pad, or the lined drilling pit (if permitted and constructed) prior to offsite disposal. 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.</p> <p>The moisture content of any freshwater mud generated 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 the freshwater mud generated drill cuttings are to be left onsite, they must also meet the applicable standards of table 910-1.</p> <p>If the well is to be hydraulically stimulated, flowback and stimulation fluids must be sent to tanks, separators, or other containment/filtering equipment before the fluids can be placed into any pipeline, storage vessel, or lined pit (only if an amended Form 2A has been submitted/approved and a Form 15 Earthen Pit Permitted has been submitted/approved) 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>Berms or other containment devices shall be constructed to be sufficiently impervious (preferably corrugated steel with poly liner) to contain any spilled or released material around crude oil, condensate, and produced water storage tanks.</p>	09/10/2013
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S/A/V: SATISFACTORY

Comment:

CA:

Date:

Wildlife BMPs:

BMP Type	Comment
Storm Water/Erosion Control	<p>Storm Water management plans (SWMP) are in place to comply with both Colorado Department of Public Health and Environment (CDPHE) and Colorado Oil and Gas Conservation Commission (COGCC) storm water discharge permits. The construction layout for this location details Best Management Practices (BMP's) to be installed during the initial construction. Note that BMP's may be removed, altered, or replaced with the changing conditions in the field and the SWMP will be updated accordingly. The BMP's prescribed for the initial construction phase include, but are not limited to:</p> <ul style="list-style-type: none"> • Construct diversion ditch • Sediment Reservoirs • Check dams • Level spreaders • Stabilized construction entrance • Slash • Sediment Traps • Wattles • Terrace • Secondary containment berms • Detention ponds
Wildlife	<ol style="list-style-type: none"> 1. Establish company guidelines to minimize wildlife mortality from vehicle collisions on roads. 2. Include a weed management plan and implement the plan as part of the reclamation. 3. Reclaim habitats with native shrubs, grasses, and forbs appropriate to the ecological site disturbed.
General Housekeeping	Fence the well site after drilling to restrict public and wildlife access. Keep well site location, the road, and the pipeline easement free of noxious weeds, litter and debris. Spray for noxious weeds, and implement dust control, as needed. Southwestern Energy Production Company (SEPCO) will not permit the release or discharge of any toxic or hazardous chemicals or chemicals or wastes on Owners' land. Construct and maintain gates where any roads used by SEPCO cross through fences on the leased premises.
Material Handling and Spill Prevention	Spill Prevention Control and Countermeasure Plans (SPCC) are in place to address material releases and to prescribe materials handling BMP's for the facility. "Good Housekeeping" measures will be taken to ensure proper waste disposal.
Planning	When feasible develop multiple well sites by using directional drilling to reduce cumulative impacts and adverse impacts on wildlife resources.
Storm Water/Erosion Control	Use water bars and other measures to prevent erosion and non-source pollution. Implement and maintain BMP's to control storm water runoff in a manner that minimizes erosion, transport of sediment offsite, and site degradation. Co-locate gas and water gathering lines whenever feasible and mitigate any erosion problems that arise due to the construction of any pipeline.
Interim Reclamation	Utilize only such area around each producing well as is reasonably necessary. Restore the remainder of the well site location to its original condition within a reasonable time after the completion of operations. All reseeding shall be done with grasses consistent with the Rocky Mountain native mix or other grasses reasonably requested by surface owner and during planting period suggested by Owner.
Final Reclamation	All surface restoration shall be accomplished to the satisfaction of Owner. All reseeding shall be done with grasses consistent with the Rocky Mountain native mix or other grasses reasonably requested by surface owner and during planting period suggested by Owner. Final reclamation shall be completed to the reasonable satisfaction of the owner as soon as practical after installation (weather permitting) and in accordance with regulatory agency standards.
Construction	Remove only the minimum amount of vegetation necessary for the construction of roads and facilities. Conserve topsoil during excavation and reuse as cover on disturbed areas to facilitate regrowth or vegetation. No construction or routine maintenance activities will be performed during periods when the soil is too wet to adequately support construction equipment.

S/A/V: _____ **Comment:** _____

CA: _____ **Date:** _____

Stormwater: _____

Comment: _____

Inspector Name: Waldron, Emily

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: 434521 Type: WELL API Number: 107-06260 Status: SI Insp. Status: SI

Idle Well

Purpose: ☒ Shut In ☐ Temporarily Abandoned Reminder: _____

S/A/V: SATISFACTORY

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: IMPROVED PASTURE

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: IMPROVED PASTURE

Reminder: _____

Comment: _____

Well plugged _____ Pit mouse/rat holes, cellars backfilled _____

Debris removed _____ No disturbance /Location never built _____

Access Roads Regraded _____ Contoured _____ Culverts removed _____

Inspector Name: Waldron, Emily

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: SATISFACTOR

Corrective Date: _____

Y

Comment:

No apparent soil migration; erosion or soil movement.

CA:

Pits:

☐ NO SURFACE INDICATION OF PIT