

**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:

11/19/2015

Document Number:

673402703

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	436676	436676	Waldron, Emily	<input type="checkbox"/>	

Operator Information:OGCC Operator Number: 10450Name of Operator: EE3 LLCAddress: 4410 ARAPAHOE AVENUE #100City: BOULDER State: CO Zip: 80303

- ☒ 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
McClure, Rich		rmcclure@ee3llc.com	
Hartshorn, Ruth		rhartshorn@ee3llc.com	
Ashby, Andy		aashby@ee3llc.com	

Compliance Summary:QtrQtr: SWSW Sec: 4 Twp: 6N Range: 80W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
10/08/2015	673402535	AC	AO	ACTION REQUIRED			No
10/02/2015	669300886	AC	EI	ACTION REQUIRED			No

Inspector Comment:**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
436676	LOCATION	AC	04/06/2014		-	Surprise Central Facility	AO	<input checked="" type="checkbox"/>

Equipment:Location Inventory

Special Purpose Pits: _____	Drilling Pits: _____	Wells: _____	Production Pits: _____
Condensate Tanks: _____	Water Tanks: <u>8</u>	Separators: <u>8</u>	Electric Motors: <u>8</u>
Gas or Diesel Mortors: _____	Cavity Pumps: _____	LACT Unit: _____	Pump Jacks: _____
Electric Generators: _____	Gas Pipeline: _____	Oil Pipeline: _____	Water Pipeline: _____
Gas Compressors: _____	VOC Combustor: <u>1</u>	Oil Tanks: <u>32</u>	Dehydrator Units: _____
Multi-Well Pits: _____	Pigging Station: <u>1</u>	Flare: <u>1</u>	Fuel Tanks: _____

Location

Inspector Name: Waldron, Emily

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

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

Comment: 720-387-7000

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	2	SATISFACTORY	Both enclosed.		
Horizontal Heated Separator	1	SATISFACTORY			
Emission Control Device	1	SATISFACTORY			
Bird Protectors		SATISFACTORY			

Facilities: <input type="checkbox"/> New Tank Tank ID: _____					
Contents	#	Capacity	Type	SE GPS	
PRODUCED WATER	2	400 BBLS	STEEL AST		
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			Adequate	
Corrective Action				Corrective Date	
Comment					

Facilities: <input type="checkbox"/> New Tank Tank ID: _____					
Contents	#	Capacity	Type	SE GPS	
CRUDE OIL	6	400 BBLS	STEEL AST	40.515140,-106.387080	
S/A/V:	SATISFACTORY		Comment:		
Corrective Action:				Corrective Date:	

Paint	
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Inspector Name: Waldron, Emily

Condition	Adequate				
Other (Content)					
Other (Capacity)					
Other (Type)					
Berms					
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Earth	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: 436676

Site Preparation:

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

S/AV: _____

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

Form 2A COAs:

Group	User	Comment	Date
OGLA	kubeczkd	<p>Operator must ensure secondary containment for any volume of fluids contained at central tank battery facility pad site during 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 sufficiently protective of nearby surface water. Any berm constructed at the tank battery facility pad location will be stabilized, inspected at regular intervals (at least every 14 days), 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>The facility pad shall be constructed as quickly as possible and appropriate BMPs need to be in place both during, after facility pad construction completion, as well as during all operations. Standard stormwater BMPs must be implemented at this location to insure compliance with CDPHE and COGCC requirements and to prevent any stormwater run-on and /or stormwater runoff.</p> <p>The access road will be constructed and maintained as to not allow any sediment to migrate from the access road to nearby surface water or any drainages leading to surface water.</p> <p>Strategically apply fugitive dust control measures, including enforcing established speed limits on private roads, to reduce fugitive dust and coating of vegetation and deposition in water sources.</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>All tanks and aboveground vessels containing fluids or chemicals used in the storage and transmission processes and operations must have secondary containment structures (which may include, but is not limited to, double-walled tanks). All secondary containment structures/areas must be lined. Operator must ensure 110 percent secondary containment for the largest structure containing fluids within each bermed area of the facility during operations. The construction and lining of the secondary containment structures/areas shall be supervised by a professional engineer or their agent.</p> <p>Additional containment shall be required where temporary or permanent pumps and other necessary equipment or chemicals are located.</p> <p>Operator will use adequately sized containment devices for all chemicals and/or hazardous materials stored or used on location and the facility shall comply with the operators SPCC Plan.</p> <p>Within 30 calendar days of conclusion of the initial grading and earthwork and facility equipment placement, operator shall submit as-built drawings, including plan view and cross-sections (with perpendicular axes), prepared and stamped by a Professional Land Surveyor or Professional Engineer; including the facility pad, location of all equipment and secondary containment, stormwater BMPs, and the access road.</p>	03/15/2014
OGLA	kubeczkd	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.	03/15/2014

OGLA	kubeczkd	Notify the COGCC 48 hours prior to start of central tank battery facility pad construction, pipeline testing, and start of operations using Form 42 (the appropriate COGCC individuals will automatically be email notified).	03/15/2014
		Surface water samples from the unnamed stream (one upgradient and one downgradient to the facility location) located approximately 675 feet to the east of the facility (if water is present), shall be collected prior to the facility use and every 12 months (until facility closure) to evaluate potential impacts from tank facility operations. At a minimum, the surface water samples will be analyze for the following parameters: major cations/anions (chloride, fluoride, sulfate, sodium); total dissolved solids (TDS); and BTEX/DRO.	

S/A/V: ACTION**Comment:**

In Form 4 document number 400927486 EE3 states that the two surface streams mentioned in COAs are intermittent meaning that the opportunity to take samples will not present until spring 2016. Water samples will be provided after sampling in spring of 2016. As built drawings have not been received as of 12/1/2015.

CA: Submit as built drawings to COGCC immediately.**Date:** 11/13/2015**Wildlife BMPs:**

BMP Type	Comment
Wildlife	<ol style="list-style-type: none"> Where oil and gas construction activities must occur within 4 miles of greater sage-grouse leks or within other mapped greater sage-grouse breeding or summer habitat, conduct these activities outside the period between March 1 and June 30. Restrict site visitations to portions of the day between 9:00 a.m. and 4:00 p.m. during the lekking season (March 1 to May 15). Operator will utilize a combustion chamber or enclosed flaring device for elimination of gases encountered during drilling and production. Avoiding traditional flaring techniques at this location will help mitigate the effects of fugitive light and noise on wildlife. Establish company guidelines to minimize wildlife mortality from vehicle collisions on roads. Slow speeds and increased awareness among employees and contractors traveling to and from the site should help to reduce impacts. Install raptor perch deterrents on equipment, fences, cross arms and pole tops in greater sage-grouse habitat. Furthermore, design tanks and other facilities with structures such that they do not provide perches or nest substrates for raptors, crows, and ravens.
Storm Water/Erosion Control	EE3 LLC will implement a storm water and erosion plan to prevent sedimentation and erosion.

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

Flares are enclosed and raptor deterrents have been installed.

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:**

Inspector Name: Waldron, Emily

Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:

Facility

Facility ID: 436676 Type: LOCATION API Number: - Status: AC Insp. Status: AO

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

Inspector Name: Waldron, Emily

- 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 _____

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
Compaction	Pass					
Gravel	Pass					
Berms	Pass					
		Compaction	Pass			
		Gravel	Pass			

Inspector Name: Waldron, Emily

S/A/V: SATISFACTOR

Corrective Date: _____

Y

Comment: Topsoil mentioned in previous report has been compacted. No apparent soil migration; erosion or soil movement.

CA: _____

Pits: ☐ NO SURFACE INDICATION OF PIT

COGCC Comments

Comment	User	Date
Follow up to inspection from 10/8/2015 document number 673402535. (Form 42 stating ready for re-inspection received 10/29/2015 document number 400927499.) All corrective actions have been met or addressed satisfactorily by Form 4 document number 400927486, EXCEPT submittal of as built drawings as required by permit COAs. Location remains Action Required because of this.	waldrone	12/01/2015

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.)