

**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:
12/03/2015Document Number:
681700028

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

| | | | | | |
|---------------------|-------------|--------|-----------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | 420391 | 420392 | Arauza, Steven | <input type="checkbox"/> | |

Operator Information:OGCC Operator Number: 96340Name of Operator: WIEPKING-FULLERTON ENERGY LLCAddress: 4600 S DOWNING STCity: ENGLEWOOD State: CO Zip: 80113

- ☐ 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 |
|-----------------|--------------|----------------------------|-------------------------------|
| Freese, Steve | | steve.freese@state.co.us | All State Surface Inspections |
| Wiepking, Jeff | 303-789-1798 | jwiepking@msn.com | |
| Boone, Linda | | LDBoonePar@aol.com | all inspections |
| Trujillo, Aaron | | aaron.trujillo@state.co.us | |
| Kosola, Jason | | jason.kosola@state.co.us | |
| Fincham, Jack | | fincham4@msn.com | all inspections |
| Sutphin, Dirk | | dirk.sutphin@state.co.us | |

Compliance Summary:QtrQtr: SENW Sec: 20 Twp: 10S Range: 55W

| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Action Required | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|-------------------------------|----------|----------------|-----------------|
| 09/17/2013 | 668601419 | PR | PR | SATISFACTORY | P | | No |
| 07/06/2012 | 663901311 | PR | PR | SATISFACTORY | | | No |
| 11/04/2011 | 663900056 | XX | PR | SATISFACTORY | P | | No |

Inspector Comment:COGCC Environmental Field Report to investigate and document suspected surface impacts visible on aerial photographs.**Related Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status | |
|-------------|------|--------|-------------|------------|-----------|-----------------|-------------|-------------------------------------|
| 420391 | WELL | PR | 09/19/2011 | OW | 073-06432 | Bubba-State # 3 | EI | <input checked="" type="checkbox"/> |

Equipment:Location Inventory

Inspector Name: Arauza, Steven

| | | | |
|------------------------------|-------------------------|---------------------|-------------------------|
| Special Purpose Pits: _____ | Drilling Pits: <u>1</u> | Wells: <u>1</u> | Production Pits: _____ |
| Condensate Tanks: _____ | Water Tanks: _____ | Separators: _____ | Electric Motors: _____ |
| Gas or Diesel Mortors: _____ | Cavity Pumps: _____ | LACT Unit: _____ | Pump Jacks: <u>1</u> |
| 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

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

Corrective Date: 12/22/2015

Comment: **COGCC phoned the emergency contact numbers listed on sign. Neither line was answered by live attendant and voice mailbox was incapable of receiving messages.**

Corrective Action: **Correct sign or otherwise ensure that emergency number will allow a live representative of the operator to be reached at all times, pursuant to Rule 605.c.(4).**

Spills:

| Type | Area | Volume | Corrective action | CA Date |
|------|------|--------|-------------------|---------|
|------|------|--------|-------------------|---------|

☐ Multiple Spills and Releases?

Venting:

| Yes/No | Comment |
|--------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| NO | Valve nipple (capped, perforated length of pipe) was observed attached to closed valve on wellhead. Well was not actively venting but this configuration would enable uncontrolled venting with the opening of a valve. Prevent unauthorized and uncontrolled venting in the future. |

Flaring:

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

Predrill

Location ID: 420391

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: 420391 Type: WELL API Number: 073-06432 Status: PR Insp. Status: EI

Environmental**Spills/Releases:**

Type of Spill: FLUID Description: impacted area northeast of Estimated Spill Volume: 815

Comment: Drilling fluid released from drill pad covering approximately 0.7 acres of native vegetation. Native grasses killed off within release area. Little to no regrowth of native vegetation from last growing season was observed. This inspection documented that fluids were not incorporated into native soils. Spill volume estimated based on area of spill.

Corrective Action: SEE INSPECTION COMMENTS ON PAGE 6 Date: 02/08/2016

Reportable: _____ GPS: Lat _____ Long _____

Inspector Name: Arauza, Steven

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 _____

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? _____

Inspector Name: Arauza, Steven

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 |
|----------------------|----------------------|-------------------------|-----------------------|----------------------|--------------------------|----------------------|
| <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |

S/A/V:

Corrective Date:

Comment:

CA:

Pits: ☐ NO SURFACE INDICATION OF PIT

COGCC Comments

| Comment | User | Date |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|------------|
| <p>Form 2A (document #400099402) indicated that drilling fluids would be disposed of by backfilling the pits after drying. It appears that a pit was breached, allowing fluids to migrate approximately 300' from the pad to a previously undisturbed area to the northeast.</p> <p>Operator must submit Form 19 spill report documenting unauthorized release of drilling fluids before Corrective Action date of December 31, 2015. Operator must submit Form 27 with confirmation soil sample results verifying that the drilling mud disposed of on surface complies with Table 910-1 standards before Corrective Action Date of February 8, 2016.</p> <p>Operator must also provide confirmation samples from the pit that verifies pit contents comply with Table 910-1. If operator did not obtain samples from drilling pit prior to closure then samples must be collected by a qualified person. Samples shall be collected from any residual E&P waste in pit and from native soil at base of pit. Operator shall notify COGCC in advance of intended sample collection date.</p> <p>Operator must provide a copy of written authorization for this specific location from the surface owner prior to incorporating drilling mud into native soil. If surface owner approves incorporation of drilling fluids AND sample results verify compliance with Table 910-1 standards, then operator must incorporate material into native soil and reclaim the surface in accordance with Rule 1003. DO NOT incorporate without COGCC prior approval.</p> <p>If the surface owner does not approve, operator shall immediately remove all drilling fluid and properly reclaim surface.</p> | arauzas | 12/07/2015 |

Attached Documents

You can go to COGCC Images (<https://cogcc.state.co.us/weblink/>) and search by document number:

| Document Num | Description | URL |
|--------------|-------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 681700028 | INSPECTION APPROVED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3735995 |
| 681700032 | aerial photo of impacted area | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3735775 |
| 681700033 | field photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3735776 |

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.)