

**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:
12/08/2015Document Number:
667700770

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	214538	325310	LABOWSKIE, STEVE	<input type="checkbox"/>	

Operator Information:OGCC Operator Number: 31250Name of Operator: FRITZ & DIGMAN INCAddress: PO BOX 70024City: ALBUQUERQUE State: NM Zip: 87197-

- ☐ 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
Digman, Rebecca	505-379-8689	rcdigman@yahoo.com	
Weems, Mark		mark.weems@state.co.us	

Compliance Summary:QtrQtr: SWSE Sec: 28 Twp: 33N Range: 12W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
12/30/2014	667700523	PR	PR	ACTION REQUIRED	I		No
10/15/2013	663401270	PR	PR	SATISFACTORY	I		No
05/30/2013	669400710	PR	PR	ALLEGED VIOLATION	P		Yes
05/22/2009	200211549	PR	PR	ACTION REQUIRED			Yes
08/20/1997	500147505	PR	PR			Pass	No
07/15/1996	500147504	PR	PR			Pass	No
12/04/1995	500147503	PR	PR			Pass	No

Inspector Comment:

See link at end of report to view uploaded FLIR GF-320 footage in normal sensitivity mode of 2 distinct gas releases in piping near wellhead, gas leaks of this nature are not permitted under 600 series rules. Leaking equipment appears continuous and is venting producible gas which is a mandatory NOAV when done without COGCC approval via Form 4 Sundry Notice. Operator needs to fix leaks, if well must be vented in order to produce it must be approved by COGCC engineering dept.

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
214538	WELL	PR	02/01/2011	OW	067-06141	DAKOTA FEE 1	PR	<input checked="" type="checkbox"/>

Equipment:Location Inventory

Inspector Name: LABOWSKIE, STEVE

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

Lease Road:

Type	Satisfactory/Action Required	comment	Corrective Action	Date
Access	ACTION REQUIRED	access rutted at bend before location as well as severely rutted in several areas co-used with residents.	maintain access road where rutted	01/11/2016

Signs/Marker:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
CONTAINERS	SATISFACTORY	Note: label becoming faded, discolored, hard to read		
WELLHEAD	SATISFACTORY			
TANK LABELS/PLACARDS	SATISFACTORY			

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

Corrective Date: _____

Comment: have not tested since last year's failure

Corrective Action: _____

Good Housekeeping:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
OTHER	ACTION REQUIRED	material handling and storage which was given a corrective action still ongoing, previous CA date is used to document days of non-compliance	remove barrel of oil saturated material, provide documentation of proper disposal or landfarming by submitting receipts and manifest to inspector	03/03/2015

Spills:

Type	Area	Volume	Corrective action	CA Date
Crude Oil	WELLHEAD	<= 1 bbl	clean up free oil and impacted material around wellhead and dispose of in approved manner, provide proof of disposal in form of receipts and manifests.	01/11/2016

☐ Multiple Spills and Releases?

Fencing/:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
TANK BATTERY	SATISFACTORY			

Equipment:					
Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Pump Jack	1	ACTION REQUIRED		stop oil and gas releases from wellhead and associated piping as soon as possible and no later than CA date	12/16/2015
Other	1	ACTION REQUIRED	previous corrective action of installing wildlife prevention on drip pan not performed. No fluid observed in pan.	install screen or netting to prevent wildlife entry into drip pan	03/03/2015

Facilities:					
<input type="checkbox"/> New Tank		Tank ID: _____			
Contents	#	Capacity	Type	SE GPS	
CRUDE OIL	1	300 BBLS	STEEL AST	,	
S/AV: ACTION REQUIRED		Comment:			
Corrective Action:		Paint tank, previous corrective action date entered to document days of non-compliance			Corrective Date: 06/01/2015

Paint	
Condition	Inadequate
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				

Venting:	
Yes/No	Comment
YES	See uploaded FLIR video footage via link at end of report. Gasfinder 320 camera identified gas released from 2 points in casing head piping near wellhead. Gas leaks are significant enough to be effectively venting the wellbore of production gas.

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

Predrill

Location ID: 214538

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: 214538 Type: WELL API Number: 067-06141 Status: PR Insp. Status: PR

Producing Well

Comment: See uploaded FLIR video footage via link at end of report. Gasfinder 320 camera identified gas released from 2 points in casing head piping near wellhead. Gas leaks are significant enough to be effectively venting the wellbore of production gas, no approved sundry notice for venting found in well file. If venting is not required to produce well and these are just leaks they must be fixed per 600 series rules. No FLIR detectable gas was observed at tank, thief hatch or enarto valve.

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: _____

Comment: _____

1003a.	Debris removed?	Pass	CM	
	CA			CA Date
	Waste Material Onsite?	Pass	CM	
	CA			CA Date
	Unused or unneeded equipment onsite?	Pass	CM	
	CA			CA Date
	Pit, cellars, rat holes and other bores closed?	Pass	CM	
	CA			CA Date
	Guy line anchors removed?		CM	
	CA			CA Date
	Guy line anchors marked?	Pass	CM	
	CA			CA Date

1003b. Area no longer in use? _____ Production areas stabilized ? _____

1003c. Compacted areas have been cross ripped? _____

1003d. Drilling pit closed? Pass Subsidence over on drill pit? Pass

Cuttings management: _____

1003e. Areas no longer needed for drilling or subsequent operations for have been re-vegetated to 80% of pre-existing? Pass

Production areas have been stabilized? Pass Segregated soils have been replaced? Pass

RESTORATION AND REVEGETATIONCropland

Top soil replaced _____ Recontoured _____ Perennial forage re-established _____

Non-Cropland

Top soil replaced	<u>Pass</u>	Recontoured	<u>Pass</u>	80% Revegetation	<u>In</u>
1003 f. Weeds Noxious weeds?	<u>P</u>				
Comment:	<div></div>				
Overall Interim Reclamation	<u>In Process</u>				

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 _____
Gravel removed _____	Contoured _____
	Culverts 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: _____	
Overall Final Reclamation _____	Date _____

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
				SR	Fail	
				SI	Fail	
Compaction	Pass	Compaction	Pass	MHSP	Pass	spill prevention on chemical barrel

Comment:

CA: Use/employ BMPs to prevent crude oil and fluids released at wellhead from mixing with precipitation, employ a routine of self inspection and response to releases that accumulated into impacts.

Attached Documents

Document Num	Description	URL
667700771	infrared footage of gas leaks/venting	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3737783
667700772	impacted soils, leak, tank condition	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3737784
667700773	chemical tank	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3737785

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.)