Inspector Name: Waldron, Emily

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: 01/06/2016

Document Number: 673402807

Overall Inspection: ACTION REQUIRED

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	441282	441283	Waldron, Emily	☐	

Operator Information:

OGCC Operator Number: 10524

Name of Operator: GRMR OIL & GAS LLC

Address: 370 INTERLOCKEN BLVD SUITE 550

City: BROOMFIELD State: CO Zip: 80021

- ☐ 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
Griffis, Mike	720-235-5071	mike.griffis@grmroilandgas.com	All GRMR inspections

Compliance Summary:

QtrQtr: NESW Sec: 19 Twp: 5N Range: 90W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
10/06/2015	669300888	XX	EI	SATISFACTORY			No

Inspector Comment:

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
441282	WELL	DG	09/30/2015		081-07818	Myers 19-11HA	PR	☒

Equipment: Location Inventory

Special Purpose Pits:		Drilling Pits:		Wells:	1	Production Pits:	
Condensate Tanks:		Water Tanks:	1	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:	1	Dehydrator Units:	
Multi-Well Pits:		Pigging Station:		Flare:	1	Fuel Tanks:	

Location

Lease Road:

Type	Satisfactory/Action Required	comment	Corrective Action	Date

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Signs/Marker:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
WELLHEAD	ACTION REQUIRED	No wellhead sign.	Install sign to comply with rule 210.	**02/08/2016**
BATTERY	SATISFACTORY			
TANK LABELS/PLACARDS	ACTION REQUIRED	Only 2 of 4 tanks are labeled.	Install sign to comply with rule 210.	**02/08/2016**

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

Comment: 1-800-801-0453

Corrective Action:

Good Housekeeping:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Spills:				
Type	Area	Volume	Corrective action	CA Date

☐ Multilple Spills and Releases?

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

Equipment:			
Type: Emission Control Device	# 2	Satisfactory/Action Required:	SATISFACTORY
Comment			
Corrective Action			Date:
Type: Bird Protectors	#	Satisfactory/Action Required:	SATISFACTORY
Comment			
Corrective Action			Date:
Type: Horizontal Heated Separator	# 1	Satisfactory/Action Required:	SATISFACTORY
Comment			
Corrective Action			Date:
Type: Deadman # & Marked	# 4	Satisfactory/Action Required:	SATISFACTORY
Comment			
Corrective Action			Date:
Type: Pump Jack	# 1	Satisfactory/Action Required:	SATISFACTORY
Comment			
Corrective Action			Date:

Facilities: ☐ New Tank Tank ID:

Contents	#	Capacity	Type	SE GPS
CRUDE OIL	1	400 BBLS	HEATED STEEL AST	,

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S/AR	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
PRODUCED WATER	1	400 BBLS	HEATED STEEL AST	,

S/AR	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
	2		HEATED STEEL AST	40.368310,-107.541620

S/AR	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	

Inspector Name: Waldron, Emily

Comment	

Venting:

Yes/No	NO
Comment	

Flaring:

Type		Satisfactory/Action Required	
Comment:			
Corrective Action:		Correct Action Date:	

Predrill

Location ID: 441282

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	Operator must ensure secondary containment for any volume of fluids contained at well site during drilling and completion 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 (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 after precipitation events), and maintained in good condition. 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. 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. The access road location is in an area of moderate to high run-on/run-off potential; therefore standard stormwater BMPs must be implemented; prior to, during, and after construction, as well as during drilling, completion, and production operations; at this location to insure compliance with CDPHE and COGCC requirements and to prevent any stormwater run-on and /or stormwater run-off. 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 permanent crude oil, condensate, and produced water storage tanks.	03/20/2015

OGLA	kubeczkd	If the operator requires to obtain water from the nearby Williams Fork River, the pump and pipeline system must be capable of preventing any backflow into the river after pump shutdown. Any water pumped from the Williams Fork River, but not used during the drilling and completion operations, must be disposed of offsite, not back into the river. COA 11 - As indicated on the Form 2A, since oil base foam drilling mud will be used for the horizontal portion of the wellbore, a closed loop system must be implemented during drilling. All cuttings generated during drilling with oil based mud or high chloride/TDS mud must be kept in the lined drilling pit (if permitted and constructed), tanks/containers, or placed on a lined/bermed portion of the well pad; prior to disposition. The moisture content of any drill cuttings in a cuttings containment area or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts. After drilling and completion operations have been completed, the drill cuttings that will remain on the well pad location (cuttings management area, the cut portion of the pad, cuttings trench, dry cuttings drilling pit), must meet the applicable standards of Table 910-1. Any material which does not meet Table 910-1 criteria will either be manifested and disposed offsite at an approved commercial facility, or amended further onsite to comply with Table 910-1. After the drill cuttings have been amended (if necessary or applicable) and placed on the well pad, sampling frequency of the drill cuttings (to be determined by the operator) shall be representative of the material left on location. If operator determines that long-term onsite management of oil based mud or high chloride/TDS mud cuttings is necessary, an approved Form 27 remediation plan will be required. No offsite disposal of cuttings to another oil and gas location shall occur without prior approval of a Waste Management Plan (submitted via a Form 4 Sundry Notice) specifying disposal location and waste characterization method. Commercial disposal of drill cuttings will only require notification to COGCC via a Form 4 Sundry Notice. All liners associated with oil based or high chloride/TDS drilling mud and cuttings must be disposed of offsite per CDPHE rules and regulations. If the well(s) is (are) to hydraulically stimulated, then 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. Potential odors associated with the completions process and/or with long term production operations must be controlled/mitigated.	03/20/2015
OGLA	kubeczkd	Notify the COGCC 48 hours prior to start of pad construction, rig mobilization, spud, start of hydraulic stimulation operations (if applicable), and start of flowback operations (if applicable and/or if different that start of hydraulic stimulation operations) using Form 42 (the appropriate COGCC individuals will automatically be email notified, including the LGD for hydraulic stimulation operations).	03/20/2015

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

CA: **Date:**

Wildlife BMPs:

BMP Type	Comment
Wildlife	1. Operator will use water from the Williams Fork River, therefore, methods should be used such as suction hoses, decontamination or back-flow preventers to ensure that the untreated water does not re-enter the river. 2. Operator will monitor all open trenches daily (if applicable) and backfill as soon as possible to keep wildlife from entering trenches.

S/A/V: SATISFACTORY **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: 441282 Type: WELL API Number: 081-07818 Status: DG Insp. Status: PR

Producing Well

Comment: Pumping.

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: _____

Inspector Name: Waldron, Emily

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? _____

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 _____

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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: SATISFACTORY Corrective Date: _____

Comment: No apparent soil migration; erosion or soil movement.

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
673402808	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3755176

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.)