

**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

Inspection Date:

02/04/2016

Document Number:

681900545

Overall Inspection:

SATISFACTORY**FIELD INSPECTION FORM**

| | | | | | |
|---------------------|-------------|--------|-----------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | 444338 | 444338 | HELGELAND, GARY | <input type="checkbox"/> | |

Operator Information:OGCC Operator Number: 47120Name of Operator: KERR MCGEE OIL & GAS ONSHORE LPAddress: P O BOX 173779City: DENVER State: CO Zip: 80217-

- ☐ 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 |
|--------------|-------|-------------------------------|-----------------|
| , Reddy | | luke.reddy@anadarko.com | |
| , | | COGCCinspections@anadarko.com | All Inspections |

Compliance Summary:QtrQtr: SWSW Sec: 23 Twp: 1N Range: 67W**Inspector Comment:**Location is staked but not built.**Related Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status | |
|-------------|------|--------|-------------|------------|-----------|-------------------|-------------|-------------------------------------|
| 444335 | WELL | XX | 12/17/2015 | LO | 123-42562 | PUMA 30N-14HZ | XX | <input checked="" type="checkbox"/> |
| 444336 | WELL | XX | 12/17/2015 | LO | 123-42563 | PUMA 4N-14HZ | XX | <input checked="" type="checkbox"/> |
| 444337 | WELL | XX | 12/17/2015 | LO | 123-42564 | PUMA 29C-14HZ | XX | <input checked="" type="checkbox"/> |
| 444339 | WELL | XX | 12/17/2015 | LO | 123-42565 | PUMA FED 5S-35HZ | XX | <input checked="" type="checkbox"/> |
| 444340 | WELL | XX | 12/17/2015 | LO | 123-42566 | PUMA FED 13C-35HZ | XX | <input checked="" type="checkbox"/> |
| 444341 | WELL | XX | 12/17/2015 | LO | 123-42567 | PUMA FED 34N-35HZ | XX | <input checked="" type="checkbox"/> |
| 444343 | WELL | XX | 12/17/2015 | LO | 123-42568 | PUMA 4C-14HZ | XX | <input checked="" type="checkbox"/> |
| 444344 | WELL | XX | 12/17/2015 | LO | 123-42569 | PUMA FED 13N-35HZ | XX | <input checked="" type="checkbox"/> |
| 444345 | WELL | XX | 12/17/2015 | LO | 123-42570 | PUMA FED 34C-35HZ | XX | <input checked="" type="checkbox"/> |

Equipment:Location Inventory

Inspector Name: HELGELAND, GARY

| | | | |
|------------------------------|------------------------|---------------------|-------------------------|
| Special Purpose Pits: _____ | Drilling Pits: _____ | Wells: <u>9</u> | Production Pits: _____ |
| Condensate Tanks: _____ | Water Tanks: _____ | Separators: _____ | Electric Motors: _____ |
| Gas or Diesel Mortors: _____ | Cavity Pumps: _____ | LACT Unit: _____ | Pump Jacks: <u>9</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: _____ |

| |
|------------------------|
| <u>Location</u> |
|------------------------|

| | | | | |
|---------------------------|------------------------------|---------|-------------------|------|
| <u>Lease Road:</u> | | | | |
| Type | Satisfactory/Action Required | comment | Corrective Action | Date |
| | | | | |

| | | | | |
|-----------------------------|------------------------------|---------|-------------------|---------|
| <u>Signs/Marker:</u> | | | | |
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| | | | | |

Emergency Contact Number (S/AR): _____ Corrective Date: _____

Comment: _____

Corrective Action: _____

| | | | | |
|----------------------------------|------------------------------|---------|-------------------|---------|
| <u>Good Housekeeping:</u> | | | | |
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| | | | | |

| | | | | |
|-----------------------|------|--------|-------------------|---------|
| <u>Spills:</u> | | | | |
| Type | Area | Volume | Corrective action | CA Date |
| | | | | |

☐ Multiple Spills and Releases?

| | | | | |
|-------------------------|------------------------------|---------|-------------------|---------|
| <u>Fencing/:</u> | | | | |
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| | | | | |

| | | | | |
|--------------------------|---|-------------------------------|--|-------|
| <u>Equipment:</u> | | | | |
| Type: | # | Satisfactory/Action Required: | | |
| Comment | | | | |
| Corrective Action | | | | Date: |

| | |
|------------------------|--|
| <u>Venting:</u> | |
| Yes/No | |
| Comment | |

| | | | |
|------------------------|------------------------------|----------------------|--|
| <u>Flaring:</u> | | | |
| Type | Satisfactory/Action Required | | |
| Comment: | | | |
| Corrective Action: | | Correct Action Date: | |

Predrill

Location ID: 444338

Site Preparation:

Lease Road Adeq.: _____

Pads: _____

Soil Stockpile: _____

S/AR: _____

Corrective Action: _____

Date: _____ CDP Num.: _____

Form 2A COAs:**S/AR:** _____ **Comment:** _____**CA:** _____ **Date:** _____**Wildlife BMPs:**

| BMP Type | Comment |
|-------------------------------------|--|
| Planning | 604c.(2).S. Access Roads: KMG will utilize a lease access road from CR 23 for drilling and production operations and maintenance equipment. The road will be properly constructed and maintained to accommodate for local emergency vehicle access. |
| Planning | 604c.(2).E. Multi-Well Pads: In order to reduce surface impact, this application is for a 9-well pad. |
| Traffic control | 604c.(2).D. Traffic Plan: If required by the local government, a traffic plan will be coordinated with the local jurisdiction prior to commencement of operations. |
| Final Reclamation | 604c.(2).U. Identification of Plugged and Abandoned Wells: Pursuant to rule 319.a.(5)., once the well has been plugged and abandoned, KMG will identify the location of the wellbore with a permanent monument that will detail the well name and date of plugging. |
| Noise mitigation | 604c.(2).A. Noise: Sound surveys have been conducted on each rig type and are utilized to anticipate any additional effective noise mitigation once a drilling rig is determined. Pending a safety review after construction of the location, sound mitigation barriers (straw bales) will be placed along the perimeter of the pad location to damper noise during drilling and completions to the nearby residences and to Weld County Roads 5 and 23. |
| Drilling/Completion Operations | 604c.(2).I. BOPE Testing for Drilling Operations: Upon initial rig-up, BOPEs will be tested at a minimum of every 30 days. |
| Drilling/Completion Operations | 604c.(2).L. Drill Stem Tests: No drill stem tests are planned and none will be performed without prior approval from the Director. |
| General Housekeeping | 604c.(2).P. Removal of Surface Trash: A commercial size trash bin for removing debris will be located on site. This bin will be for use by all parties affiliated with the operation. |
| General Housekeeping | 604c.(2).O. Loadlines: All loadlines shall be bullplugged or capped. |
| Community Outreach and Notification | 305.a.(2) A Notice of Intent to Conduct Operations was sent to each building unit owner within the Exception Zone or Buffer Zone Setback. Recipients did not contact KMG. As a part of planning this proposed location, Kerr-McGee held multi-disciplinary Surface Impact Planning Meetings regarding the impacts and mitigations associated with this proposed location. The toll-free hotline number and email for the Anadarko Colorado Response Line will be posted at the entrance to the lease access road for stakeholders during drilling and completion operations at this proposed location. Courtesy Notifications will be sent to impacted stakeholders prior to drilling operations and again prior to completions operations, providing contact information for the Anadarko Colorado Response Line and online resources. |
| Dust control | 805.c. Dust: Water will be placed on dirt access roads to mitigate dust as needed. If feasible, magnesium chloride will also be used as needed on access roads to further abate dust. |

| | |
|--|--|
| Construction | 604c.(2).M. Fencing Requirements: The completed wellsites will be surrounded with a fence and gate with adequate lock to restrict access to authorized personnel only. KMG personnel will monitor the wellsites regularly upon completion of the wells. Authorized representatives and/or KMG personnel shall be on-site during drilling and completion operations. |
| Storm Water/Erosion Control | 604c.(2).G. Berm Construction: Kerr-McGee will create tertiary containment by construction of a berm or diversion dike, site grading, or other comparable measures sufficient to further protect the following: Ditch: 15' to south Ditch: 103' to south Ditch: 546' to NNW Pond: 695' to ENE |
| Planning | 604c.(2).R. Tank Specifications: Two 500 barrel skid-mounted frac tanks will be temporarily placed on-site for use of the pre-spud rig only. One tank will store water and the other will store water based mud. |
| Drilling/Completion Operations | 604c.(2).H. BOPE: Our rigs at a minimum will have a double ram with blind and pipe ram and annular preventer. |
| Drilling/Completion Operations | 604c.(2).B. Closed Loop Drilling System: KMG will use a closed loop or "pitless" system for drilling and fluid management and will not construct a reserve pit. |
| Drilling/Completion Operations | 604c.(2).J. BOPE for Well Servicing Operations: Blowout prevention equipment will be used on any servicing operations associated with this well. Backup stabbing valves will be used during any future servicing operations during reverse circulation. Valves shall be pressure tested before each well servicing operation using low-pressure air and high-pressure fluid. |
| Storm Water/Erosion Control | 604c.(2).W. Site-Specific Measures: KMG maintains a Storm Water Management Plan that assesses erosion control for every KMG operated location. This location will be added to this plan once construction begins. This site will be inspected every fourteen (14) days during construction activities, every twenty-eight (28) days after construction is completed, and after any major weather event. |
| Drilling/Completion Operations | 604c.(2).K. Pit Level Indicators: All storage tanks used for active drilling operations (used in lieu of pits) contain pit level monitors with Electronic Drilling Recorders (EDR). KMG uses EDRs with pit level monitor(s) and alarm(s) for production rigs. Basic level gauges are used on tanks utilized for the surface rig. |
| Final Reclamation | 604c.(2).T. Well Site Cleared: The wellsite will be cleared of all non-essential equipment within ninety (90) days after all wells associated with the pad have been plugged and abandoned. |
| Planning | 604c.(2).Q. Guy Line Anchors: Should guy line anchors be left buried for future use, they shall be identified by a bright marker greater than four (4) feet high and no more than one (1) foot east of the guy line anchor. |
| Drilling/Completion Operations | 803. Lighting: To the extent practicable, site lighting shall be shielded and directed downward and inward toward operations to avoid glare on public roads and nearby Building Units. |
| Material Handling and Spill Prevention | 604c.(2).N. Control of Fire Hazards: KMG and its contractors will employ best management practices during the drilling and production of its wells and facilities and will comply with appropriate COGCC rules concerning safety and fire. KMG will ensure that any material that might be deemed a fire hazard will remain no less than twenty-five (25) feet from the wellhead(s), tanks and separator(s). |
| Drilling/Completion Operations | 604c.(2).C. Green Completions: Temporary above ground polyethylene water pipelines will deliver water to location operations from larger trunk lines to reduce truck traffic and minimize air pollution. Pipeline infrastructure is in place prior to completions operations to ensure saleable gas, once hydrocarbons are cut, is sent directly to sales without flaring during flowback. |

S/AR: _____ **Comment:** _____

CA: _____ **Date:** _____

Comment: _____

Staking:

On Site Inspection (305):

Inspector Name: HELGELAND, GARY

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: 444335 Type: WELL API Number: 123-42562 Status: XX Insp. Status: XX

Facility ID: 444336 Type: WELL API Number: 123-42563 Status: XX Insp. Status: XX

Facility ID: 444337 Type: WELL API Number: 123-42564 Status: XX Insp. Status: XX

Facility ID: 444339 Type: WELL API Number: 123-42565 Status: XX Insp. Status: XX

Facility ID: 444340 Type: WELL API Number: 123-42566 Status: XX Insp. Status: XX

Facility ID: 444341 Type: WELL API Number: 123-42567 Status: XX Insp. Status: XX

Facility ID: 444343 Type: WELL API Number: 123-42568 Status: XX Insp. Status: XX

Facility ID: 444344 Type: WELL API Number: 123-42569 Status: XX Insp. Status: XX

Facility ID: 444345 Type: WELL API Number: 123-42570 Status: XX Insp. Status: XX

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: IRRIGATED

Comment: _____

1003a. Waste and Debris removed? _____

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 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:

Inspector Name: HELGELAND, GARY

Date Final Reclamation Started: _____ Date Final Reclamation Completed: _____

Final Land Use: IRRIGATED

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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| | | | | | | |

S/A/V: _____ Corrective Date: _____

Comment: _____

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 |
|--------------|-------------|---|
| 681900546 | LOCATION | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3776523 |