

**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:

02/12/2016

Document Number:

685200033

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 |
|-----------------|--------------|---------------------------|---------|
| Ash, Margaret | | margaret.ash@state.co.us | |
| Ferrin, Jeremy | | jeremy.ferrin@state.co.us | |
| Digman, Rebecca | 505-379-8689 | rcdigman@yahoo.com | |

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) |
|------------|-----------|------------|-------------|-------------------------------|----------|----------------|-----------------|
| 12/08/2015 | 667700770 | PR | PR | ACTION REQUIRED | I | | No |
| 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:

Report details several corrective actions adequately performed, some of the gas leaks appear to be fixed. An audible leak is present at top of casing head. Infrared camera confirms gas leak in normal sensitivity mode. See attachemnt page for link to uploaded footage. Previous inspection requested documentation of proper disposal of impacted materials by 1/11/2016, the materials have been cleaned up, documentation has not yet been received by local staff and does not appear to be in well file.

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 | | snowy, muddy, rutted, will require seasonal maintenance after spring snowmelt. | | |

| | | | | |
|----------------------|------------------------------|---------|-------------------|---------|
| Signs/Marker: | | | | |
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| WELLHEAD | SATISFACTORY | | | |

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

Comment: _____

Corrective Action: _____

| | | | | |
|---------------------------|------------------------------|---|--|------------|
| Good Housekeeping: | | | | |
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| OTHER | ACTION REQUIRED | corrective action adequately performed, materials no longer stored on site Note: inspector has not yet received documentation of proper disposal which was given a due date 1/11/2016 in previous inspection. | provide Commission documnetation of proper disposal of impacted materials in form of receipts or manifests | 01/11/2016 |

| | | | | |
|----------------|-----------|----------|--|------------|
| Spills: | | | | |
| Type | Area | Volume | Corrective action | CA Date |
| Crude Oil | Pump Jack | <= 1 bbl | corrective action of cleaning up oil and impacted materials has been adequately performed. Staff has not receieved documentaton of proper disposal requested in previous inspection with a corrective action date of 1/11/2016 | 01/11/2016 |

☐ Multiple Spills and Releases?

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

| | | | |
|-------------------|---|-------------------------------|-----------------|
| Equipment: | | | |
| Type: Pump Jack | # 1 | Satisfactory/Action Required: | ACTION REQUIRED |
| Comment | fluid release from wellhead/stuffing box has been stopped. However, gas is still leaking from wellhead, it is clearly audible and was confirmed with FLIR camera. See attachment page for uploaded video footage of leak area and gas release visible in normal sensitivity mode. | | |
| Corrective Action | Stp leaking gas at wellhead and associated piping, previous CA date is sued to document days of non-compliance. | | Date: 3/18/2016 |
| Type: Other | # 1 | Satisfactory/Action Required: | SATISFACTORY |
| Comment | corrective action performed, screen has been installed on container. | | |
| Corrective Action | | | Date: |

| | | | |
|--------------------|-----------------|-----------------------------------|---|
| Facilities: | | <input type="checkbox"/> New Tank | Tank ID: _____ |
| Contents | # | Capacity | Type |
| CRUDE OIL | 1 | 400 BBLS | STEEL AST |
| S/AR | ACTION REQUIRED | Comment: | tank can be seen from highway 140 and is subject to Rule 804 visual impact mtiigation (match tio but darker than surrounding landscape) |
| Corrective Action: | paint tank | | Corrective Date: 05/31/2015 |

| | |
|------------------|------------|
| Paint | |
| Condition | Inadequate |
| Other (Content) | _____ |
| Other (Capacity) | _____ |
| Other (Type) | _____ |

| | | | | |
|-------------------|----------|---------------------|---------------------|-----------------|
| Berms | | | | |
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Earth | Adequate | Walls Sufficent | Base Sufficient | Adequate |
| Corrective Action | | | | Corrective Date |
| Comment | | | | |

| | |
|-----------------|---|
| Venting: | |
| Yes/No | |
| Comment | wellhead continously leaking gas, see attachment oage for link to uploaded infrared video, gas appears as dark moving plume |

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

Predrill

Location ID: 214538

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:****S/AR:** _____ **Comment:** _____**CA:** _____ **Date:** _____**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: PR

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: _____

Comment: mostly snow covered at time of inspection, see previous inspection for interim reclamation details

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 REVEGETATIONCropland

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

Non-Cropland

Top soil replaced _____ Recontoured _____ 80% Revegetation _____

1003 f. Weeds Noxious weeds? _____

Comment: _____

Inspector Name: LABOWSKIE, STEVE

Overall Interim Reclamation ☐ In Process ☐

Final Reclamation/ Abandoned Location:

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 _____ 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: SATISFACTOR _____ Corrective Date: _____

Y

Comment: watch for vehicle tracking

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 |
|--------------|--|---|
| 685200035 | infrared video of gas leaking from casing head | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3791888 |