

**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:  
03/08/2016  
Document Number:  
674003465  
Overall Inspection:  
SATISFACTORY

**FIELD INSPECTION FORM**

|                     |               |               |                       |                          |             |
|---------------------|---------------|---------------|-----------------------|--------------------------|-------------|
| Location Identifier | Facility ID   | Loc ID        | Inspector Name:       | On-Site Inspection       | 2A Doc Num: |
|                     | <u>439853</u> | <u>439849</u> | <u>Carlile, Craig</u> | <input type="checkbox"/> |             |

**Operator Information:**

OGCC Operator Number: 47120  
 Name of Operator: KERR MCGEE OIL & GAS ONSHORE LP  
 Address: P O BOX 173779  
 City: 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         |
|---------------|----------------|-------------------------------|-----------------|
| Avant, Paul   | (720) 929-6457 | Paul.Avant@Anadarko.com       | All Inspections |
| , Inspections |                | COGCCinspections@Anadarko.com | All Inspections |
| , Reddy       |                | luke.reddy@anadarko.com       |                 |

**Compliance Summary:**

QtrQtr: NESW Sec: 14 Twp: 3N Range: 68W

**Inspector Comment:**

**Related Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num   | Facility Name    | Insp Status                            |
|-------------|------|--------|-------------|------------|-----------|------------------|--|
| 439850      | WELL | XX     | 11/14/2014  | LO         | 123-40575 | DOCHEFF 33N-15HZ | DG <input checked="" type="checkbox"/> |
| 439851      | WELL | XX     | 11/14/2014  | LO         | 123-40576 | DOCHEFF 12C-15HZ | DG <input checked="" type="checkbox"/> |
| 439852      | WELL | XX     | 11/14/2014  | LO         | 123-40577 | DOCHEFF 33N-13HZ | DG <input checked="" type="checkbox"/> |
| 439853      | WELL | XX     | 11/14/2014  | LO         | 123-40578 | DOCHEFF 32N-13HZ | DG <input checked="" type="checkbox"/> |
| 439854      | WELL | XX     | 11/14/2014  | LO         | 123-40579 | DOCHEFF 12N-13HZ | DG <input checked="" type="checkbox"/> |
| 439855      | WELL | XX     | 11/14/2014  | LO         | 123-40580 | DOCHEFF 32N-15HZ | DG <input checked="" type="checkbox"/> |

**Equipment:**

Location Inventory

|                              |                         |                       |                         |
|------------------------------|-------------------------|-----------------------|-------------------------|
| Special Purpose Pits: _____  | Drilling Pits: _____    | Wells: <u>6</u>       | Production Pits: _____  |
| Condensate Tanks: <u>1</u>   | Water Tanks: <u>3</u>   | Separators: <u>14</u> | Electric Motors: _____  |
| Gas or Diesel Mortors: _____ | Cavity Pumps: _____     | LACT Unit: <u>2</u>   | Pump Jacks: <u>6</u>    |
| Electric Generators: _____   | Gas Pipeline: _____     | Oil Pipeline: _____   | Water Pipeline: _____   |
| Gas Compressors: _____       | VOC Combustor: <u>1</u> | Oil Tanks: <u>0</u>   | Dehydrator Units: _____ |
| Multi-Well Pits: _____       | Pigging Station: _____  | Flare: _____          | Fuel Tanks: _____       |



| Group | User     | Comment  | Date       |
|-------|----------|--|------------|
| OGLA  | notojohn | Operator shall provide notice to COGCC 48 hours prior to commencing construction of this Oil and Gas Location via Form 42. | 11/05/2014 |

**S/AR:** \_\_\_\_\_ **Comment:** \_\_\_\_\_

**CA:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Wildlife BMPs:**

| BMP Type                               | Comment  |
|--|--|
| Planning                               | 604c.(2).R. Tank Specifications: A geosynthetic liner will be laid under the tanks on this location and a metal containment will be constructed. Storage tanks will be designed, constructed and maintained in accordance with National Fire Protection Association (NFPA) Code 30 (2008 version). KMG will maintain written records to verify proper design, construction and maintenance. All records will be available for inspection by the Director.<br><br>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. |
| 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.  |
| Noise mitigation                       | 604c.(2).A. Noise: Pending a safety review after construction of the location, sound mitigation barriers (hay bales) will be placed on the pad location to damper noise during drilling and completions to the nearby building units.<br><br>Sound surveys that have been conducted on each rig type are utilized to anticipate any additional noise mitigation once a drilling rig is determined.   |
| General Housekeeping                   | 604c.(2).O. Loadlines: All loadlines shall be bullplugged or capped.   |
| Planning                               | 604c.(2).E. Multiwell Pads: In order to reduce surface impact, this application is for a six-well pad.   |
| 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.   |
| Material Handling and Spill Prevention | 604c.(2).F. Leak Detection Plan: Automation technology will be utilized at this facility. This technology includes the use of fluid level monitoring for the tanks and produced water sumps, high-level shut offs, and electronic sensors to monitor the interstitial space of double-walled produced water sumps. All automation is monitored by Kerr-McGee's Integrated Operations Center (IOC,) which is manned 24 hours per day, 7 days per week.  |
| 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.  |
| 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.  |
| Construction                           | 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 ponds located 775' E and 835' E of the proposed oil and gas location.   |
| 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.   |
| Drilling/Completion Operations         | 604c.(2).C. Green Completions: KMG will install Vapor Recovery Unit(s) (VRU) to prevent uncontrolled venting of flash gas. Environmental Control Devices or Volatile Organic Compound Combustors (VOC) will be used to control working and breathing vapor losses for oil and water tanks. Temporary above ground polyethylene water pipelines will deliver water to location operations from larger trunk lines to reduce truck traffic and minimize air pollution.   |
| 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.  |
| Planning                               | 604c.(2).V. Development From Existing Well Pads: Drilling from an existing well pad was not feasible for the development of the wells on this proposed oil and gas location; however, this well pad will be considered for future well locations.  |

Inspector Name: Carlile, Craig

|  |   |
|--|---|
| 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).                  |
| Planning                               | 604c.(2).S. Access Roads: KMG will utilize a lease access road from County Road 32 for drilling operations and maintenance equipment. The road will be properly constructed and maintained to accommodate for local emergency vehicle access.<br><br>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. |
| 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.  |
| 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.  |
| 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.   |
| 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).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).K. Pit Level Indicators: All tanks (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.  |
| Storm Water/Erosion Control            | 604c.(2).W. Site-Specific Measures: KMG maintains a Stormwater 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 thirty (30) days after construction is completed, and after any major weather event.                              |

**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: 439850 Type: WELL API Number: 123-40575 Status: XX Insp. Status: DG

Facility ID: 439851 Type: WELL API Number: 123-40576 Status: XX Insp. Status: DG

Facility ID: 439852 Type: WELL API Number: 123-40577 Status: XX Insp. Status: DG

Facility ID: 439853 Type: WELL API Number: 123-40578 Status: XX Insp. Status: DG

**Well Drilling**

**Rig:** Rig Name: Precision 461 Pusher/Rig Manager: \_\_\_\_\_

Permit Posted: SATISFACTORY Access Sign: \_\_\_\_\_

**Well Control Equipment:**

Pipe Ram: \_\_\_\_\_ Blind Ram: \_\_\_\_\_ Hydril Type: \_\_\_\_\_

Pressure Test BOP: \_\_\_\_\_ Test Pressure PSI: \_\_\_\_\_ Safety Plan: \_\_\_\_\_

**Drill Fluids**

**Management:**

Lined Pit: \_\_\_\_\_ Unlined Pit: \_\_\_\_\_ Closed Loop: \_\_\_\_\_ Semi-Closed Loop: \_\_\_\_\_

Multi-Well: \_\_\_\_\_ Disposal Location: \_\_\_\_\_

**Comment:**

Facility ID: 439854 Type: WELL API Number: 123-40579 Status: XX Insp. Status: DG

Facility ID: 439855 Type: WELL API Number: 123-40580 Status: XX Insp. Status: DG

**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: IMPROVED PASTURE

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:**

Date Final Reclamation Started: \_\_\_\_\_ Date Final Reclamation Completed: \_\_\_\_\_

Final Land Use: IMPROVED PASTURE

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 \_\_\_\_\_

Inspector Name: Carlile, Craig

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

| <b>Storm Water:</b> |                 |                         |                       |               |                          |         |
|---------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| 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

| <b>COGCC Comments</b>   |          |            |
|---|----------|------------|
| Comment   | User     | Date       |
| At time of inspection the last of 6 wells at the location has just spudded. At the conclusion of this well the rig will relocate to begin drilling casing string. | carlilec | 03/08/2016 |