Inspector Name: St John, William (Cal)

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

FIELD INSPECTION FORM

Inspection Date: 04/15/2016
Document Number: 685300363
Overall Inspection: SATISFACTORY

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	443886	443885	St John, William (Cal)	☐	

Operator Information:

OGCC Operator Number: 10464
Name of Operator: CATAMOUNT ENERGY PARTNERS LLC
Address: 1801 BROADWAY #1000
City: DENVER State: CO Zip: 80202

☐ 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
Labowskie, Steve		steve.labowskie@state.co.us	COGCC
Redmond, Nolan	720-484-2347	nredmond@catamountep.com	All Inspections
Hering, Bill	281-682-7290	bhering@catamountep.com	All Inspections

Compliance Summary:

QtrQtr: SESE Sec: 29 Twp: 33N Range: 5W

Inspector Comment:

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
443886	WELL	XX	01/19/2016	LO	007-06322	Lamke 33-5-29 1	CI	X

Equipment: Location Inventory

Special Purpose Pits:		Drilling Pits:		Wells:	1	Production Pits:	
Condensate Tanks:		Water Tanks:	2	Separators:	1	Electric Motors:	
Gas or Diesel Mortors:	1	Cavity Pumps:		LACT Unit:		Pump Jacks:	1
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

Inspector Name: St John, William (Cal)

Signs/Marker:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

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

Comment:

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:	#	Satisfactory/Action Required:	
Comment			
Corrective Action		Date:	

Venting:	
Yes/No	
Comment	

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

Predrill

Location ID: 443886

Lease Road Adeq.: SATISFACTORY Pads: SATISFACTORY Soil Stockpile: SATISFACTORY

S/AR: SATISFACTORY

Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:

Group	User	Comment	Date
Permit	Romanchock C	Operator will notify La Plata Electric Association, Inc. (LPEA) 24 hours prior to rig-up operations and also 24 hours prior to rig-down operations.	11/03/2015

OGLA	kubeczkd	Notify the COGCC 48 hours prior to start of pad construction, rig mobilization, spud, start of hydraulic stimulation operations, start of flowback operations, and pipeline testing using Form 42 (the appropriate COGCC individuals will automatically be email notified, including the LGD for hydraulic stimulation operations).	09/29/2015
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 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 to reduce fugitive dust and coating of vegetation and deposition in water sources. Berms or other containment devices shall be constructed to be sufficiently impervious (corrugated steel with poly liner or equivalent) to contain any spilled or released material around permanent produced water storage tanks.	09/29/2015
Permit	Romanchock C	Per the Setback Waiver Request letter provided by La Plata Electric Association, Inc. (LPEA) and attached to this form, operator will maintain a minimum 10 foot setback between any portion of this well pad and its related equipment and the nearest conductor or energized piece of equipment. This setback is in place to maintain the minimum clearance requirements of the National Electric Safety Code.	11/03/2015
OGLA	kubeczkd	Operator shall pressure test pipelines in accordance with Rule 1101.e.(1) prior to putting into initial service any temporary surface or permanent buried pipelines and following any reconfiguration of the pipeline network. Operator will utilize, to the extent practical, all existing access and other public roads, and/or existing pipeline right-of-ways, when placing/routing the surface pipelines. This will reduce surface disturbance.	09/29/2015
OGLA	kubeczkd	The moisture content of any cuttings in a cuttings trench or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts. 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. Operator will place sound mitigation (if necessary) around the pump jack and production equipment (separators if needed) in the direction of the nearby building unit in order to mitigate nuisance noise levels to comply with the lowest (Residential/Agricultural/Rural) requirements in Rule 802. Noise Abatement. The design and construction of the sound mitigation barriers will be the responsibility of the operator and will be maintained for the operating duration of the wells. Because of proximity of the well pad to the nearby Piedra River and other surface water drainages to the west and south, operator will grade the well pad surface to slope towards the east.	09/29/2015

S/AR: SATISFACTORY **Comment:**

CA: **Date:**

Inspector Name: St John, William (Cal)

Wildlife BMPs:

BMP Type	Comment
	Rule 604.c.(2) Mitigation Measures for the Lamke 33-5-29 #1; SESE Sec 29 T33N R5W; Archuleta County, Colorado A.) Noise - Sound mitigation will be used around the pump jacks and/or production equipment if necessary in order to comply with the residential/agricultural/rural requirements in Rule 802. Drilling, completion, workover, and construction operations will also comply with Rule 802. B.) Closed Loop Drilling Systems - A closed loop drilling system will be used. No pits are planned. C.) Green Completions - Emission Control Systems; Pipelines and production equipment, including burning flares, capable of supporting green completions will be used. D.) Traffic Plan - Access is from State Highway 151. Operator will comply with any CDOT traffic control measures required for this well. Access road will be improved and maintained for all weather use and be able to accommodate local emergency vehicle access requirements. E.) Multiwell Pads - Only one well is planned to be drilled from this location. No other pad will be necessary to develop the Fruitland Coal in the 320 acre spacing unit being developed by this well (E/2 S32 T33N R5W). F.) Leak Detection Plan - Pipelines will be pressure tested prior to use and wells will be monitored daily. G.) Berm Construction - Secondary containment berms with poly liner will be built around produced water storage tanks upon completion and will be large enough to contain 150% of the largest single tank. It will be inspected regularly and maintained in good condition. H.) Blowout Preventer Equipment (BOPE) - BOPE equipment will consist of a double ram with blind ram and pipe ram. I.) BOPE Testing for Drilling Operations - BOPE will be pressured tested upon initial rig up and at least once every 30 days during drilling operations. J.) BOPE for Well Servicing Operations - Adequate blowout prevention equipment will be used on all well servicing operations. K.) Pit level Indicators – No pits are planned for this location; however, if it becomes necessary to construct a pi, pit level indicators will be used. L.) Drill Stem Tests - No drill stem tests will be performed. M.) Fencing requirements - Fencing will be placed around all equipment with moving parts and will be designed and constructed to keep wildlife away from the equipment. N.) Control of Fire Hazards - Any material not in use that might constitute a fire hazard shall be removed a minimum of 25 feet from the wellhead, tanks, and separators. Any electrical equipment installations inside the bermed area shall comply with API RP 500 classifications and comply with the current national electrical code as adopted by the State of Colorado. O.) Loadlines - Loadlines will be bullplugged or capped. P.) Removal of Surface Trash - All surface trash, debris, scrap or discarded material connected with the operations of the property will be removed from the premises and disposed of in a legal manner. Q. Guy Line Anchors - Guy line anchors will be identified by a marker of bright color not less than 4 feet in height and not greater than one foot east of the guy line anchor. R.) Tank Specifications - No crude oil or condensate storage tanks will be used. S.) Access Roads - Access road will be built and maintained for all weather use and be able to accommodate local emergency vehicle access requirements. T.) Well Site Cleared - Within 90 days after the wells are plugged and abandoned the well site shall be cleared of all nonessential equipment, trash, and debris. U.) Identification of Plugged and Abandoned Wells - Upon plugging and abandoning the well the location of the wellbore shall be marked with a permanent monument as specified in Rule 319.a (5). V.) Development from Existing Well Pads - Development from existing well pads is not feasible due to directional drilling constraints, lack of access, and lack of subsurface rights. W.) Site Specific Measures - A tertiary berm around the entire location will be built, inspected regularly, and maintained in good condition during drilling/completion operations. It will be sufficiently impervious to contain any spilled or released material.

Material Handling and Spill Prevention	Produced Water Containment - Produced water will be temporarily stored in above ground steel tanks until transported to commercial disposal facilities. The on-site storage tanks will consist of two 400 barrel tanks situated inside industrial grade polyethylene walls, 3 feet in height. The inside of the containment walls and all footage contained within the walls will be lined with a 40 mil polyethylene liner. At a minimum, the outside the tank containment capability of the polyethylene walls will exceed 500 barrels (125% of the largest tank). All tanks will comply with Colorado Oil & Gas Commission rules and regulations regarding manufacture and labeling. Tank Level Monitoring - The amount of water in the tanks will be monitored continuously by Catamount's SCADA system which includes continuous, real-time tank level data recording and feed. Radar in each tank will provide real-time liquid levels for each tank. Should either tank's water level approach a programmed maximum height a "High Level" alarm/notification will be sent to appropriate Catamount personnel who will then have the ability to remotely shut-down all operations. If levels continue to rise prior to a manual, remote shut down, the system will automatically activate a high level float switch shutting in the well and shutting off production.
Wildlife	Catamount will avoid drilling operations from Dec. 1st - April 15th to minimize disturbance to wildlife, assuming current rig availability does not change.
Drilling/Completion Operations	High Chloride/TDS Drilling Mud Handling and Containment - Drilling mud or brine will be contained in above ground steel tanks. Drill cuttings and solids that have been separated from the drilling fluid by the shale shakers, mud cleaner or centrifuge will be captured in above ground portable steel cuttings bins and hauled to a third party, offsite, disposal site that is permitted as required by applicable State and Federal rules and regulations. Excess drilling fluid will be stored in above ground portable steel tanks and will be transferred to the active circulating system as needed. At the completion of drilling activity remaining drilling fluid will be used on another well or disposed of as allowed by Local, State and Federal law. The well pad will have a secondary containment berm to prevent spills, releases, and pollution. The berm will be capable of containing 110% of the fluids stored on location. Groundwater will be protected by two strings of steel casing, both of which will be cemented to surface.
Drilling/Completion Operations	Rule 317.p: Logging Program Description: Open-hole Resistivity Log with Gamma Ray Log run from TD into the surface casing. Cement Bond Log run on production casing or on intermediate casing if production liner is run. The Form 5 Completion Report will list all logs run and the logs will be attached.
Drilling/Completion Operations	A closed loop system will be used during drilling operations so a pit will be unnecessary.
Final Reclamation	Equipment will be painted with dull, non reflective paint slightly darker than the surrounding landscape. Noxious weeds will be controlled onsite by herbicide application based on recommendations from the Archuleta County weed control technician and will be applied by a professional.

S/AR: SATISFACTORY **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: 443886 Type: WELL API Number: 007-06322 Status: XX Insp. Status: CI

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: RANGELAND

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

Inspector Name: St John, William (Cal)

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 _____

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
Waddles	Pass					
Sediment Traps	Pass					
Gravel	Pass					
Berms	Pass	Compaction	Pass			
Gradient Terraces	Pass					
Drains	Pass					

Inspector Name: St John, William (Cal)

Check Dams	Pass	Culverts	Pass			
Compaction	Pass	Gravel	Pass			

S/A/V: SATISFACTORY 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
685300363	INSPECTION APPROVED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3847854