

**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:

05/09/2016

Document Number:

685200125

Overall Inspection:

**ACTION REQUIRED****FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	444690	444691	LABOWSKIE, STEVE	<input type="checkbox"/>	

**Operator Information:**OGCC Operator Number: 10464Name of Operator: CATAMOUNT ENERGY PARTNERS LLCAddress: 1801 BROADWAY #1000City: 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
Redmond, Nolan	720-484-2347	nredmond@catamountep.com	SW Inspections
Fischer, Reed	720-484-2346	rfischer@catamountep.com	

**Compliance Summary:**QtrQtr: Lot 2 Sec: 6 Twp: 34N Range: 6W**Inspector Comment:**

Drilling inspection conducted during rig-up operations, this inspection also field checked construction/predrill requirements and site specific COAs. See COA/PREDRILL section for corrective actions required.

**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
444690	WELL	DG	05/08/2016		067-09972	Morales 34-6-6U 1	DG	<input checked="" type="checkbox"/>

**Equipment:**Location Inventory

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

**Location****Lease Road:**

Type	Satisfactory/Action Required	comment	Corrective Action	Date

**Signs/Marker:**

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
DRILLING/RECOMP	SATISFACTORY			

Inspector Name: LABOWSKIE, STEVE

Emergency Contact Number (S/AR): SATISFACTORY

Corrective Date: \_\_\_\_\_

Comment: \_\_\_\_\_

Corrective Action: \_\_\_\_\_

**Good Housekeeping:**

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

**Spills:**

Type	Area	Volume	Corrective action	CA Date
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☐ Multiple 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	NO
Comment	

**Flaring:**

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

**Predrill**

Location ID: 444690

Lease Road Adeq.: SATISFACTORY

Pads: \_\_\_\_\_

Soil Stockpile: SATISFACTORY

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

Corrective Action: \_\_\_\_\_ Date: \_\_\_\_\_ CDP Num.: \_\_\_\_\_

**Form 2A COAs:**

Group	User	Comment	Date
OGLA	kubeczkd	<p>Operator must ensure secondary containment for any volume of fluids contained at the well site during drilling and completion operations (as listed in the Operator BMP/COA Section of the Form 2A); 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 fluid containment/control as well as stormwater management for the control of run-on and run-off) sufficiently protective of nearby surface water. Any berm constructed at the well pad location will be stabilized, inspected at regular intervals as required by CDPHE (at least every 14 days and after precipitation events), and maintained in good condition. The design/build of any perimeter berm shall be sized, constructed, and compacted sufficiently to contain fluids during drilling operations, as well as all fluids contained in temporary frac tanks during completion operations.</p> <p>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.</p> <p>Strategically apply fugitive dust control measures to reduce fugitive dust and coating of vegetation and deposition in water sources.</p> <p>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.</p>	01/26/2016
OGLA	kubeczkd	<p>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.</p> <p>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.</p> <p>Potential odors associated with the completions process and/or with long term production operations must be controlled/mitigated.</p> <p>Because of proximity of the well pad to nearby Crowbar Creek and other surface water drainages to the west and north, operator will grade the well pad surface to slope towards the south.</p>	01/26/2016
OGLA	kubeczkd	Operator shall pressure test pipelines (flowlines from wellhead to separator to tanks; and any temporary surface lines used for hydraulic stimulation and/or flowback operations) 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. All permanent flowlines from wellhead to separator and from the separator to the tanks will also be pressure tested annually.	01/26/2016
OGLA	kubeczkd	In addition to the notifications required by COGCC listed in Rule 316C. COGCC Form 42. FIELD OPERATIONS NOTICE (a. Notice of Intent to Conduct Hydraulic Fracturing Treatment; b. Notice of Spud; and c. Notice of Construction or Major Change); operator shall notify the COGCC 48 hours prior to rig mobilization and pipeline testing (flowlines from wellheads to separators to tanks; and/or any temporary surface lines used for hydraulic stimulation and/or flowback operations) using the Form 42 (as described in Rule 316C.m. Notice of Completion of Form 2/2A Permit Conditions). The appropriate COGCC individuals will automatically be email notified.	01/26/2016

**S/AR:** ACTION REQUIRED      **Comment:**

Road base gravel is built-up across entire pad within berms, diversion trenches are adjacent to perimeter berm are not functioning as 2 separate containment features as requirements for both secondary and tertiary containment per COA. No additional downgradient berming to protect surface waters observed. Diversion trenches do not by themselves appear capable of containing 110% of all fluids on location for both drilling and completion operations (+800 bbls at time of inspection). Perimeter berm (tertiary?) appears inadequate to contain 110% of all fluids if a significant portion if it was not absorbed into graveled pad below (Spilled volumes of fluid absorbed into pad would require excavation and disposal).

**CA:** Demonstrate compliance of secondary and tertiary containment of all fluids at wellsite/install additional fluid containment.

**Date:** 05/12/2016

**Wildlife BMPs:**

BMP Type	Comment
Drilling/Completion Operations	<p>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 3rd party 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.</p> <p>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.</p> <p>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.</p>
Material Handling and Spill Prevention	<p>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 containment capability of the polyethylene walls will exceed 500 barrels (125% of the largest tank). All tanks will comply with Colorado Oil &amp; Gas Commission rules and regulations regarding manufacture and labeling.</p> <p>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.</p>
Wildlife	<p>BMP 1 - In order to avoid impacts to wintering big game, operator will not conduct surface disturbing activities, construction activities, drilling, or completion activities from December 1-April 15 annually for the life of the well (this does not include pipeline construction).</p> <p>BMP 2 - Operator will utilize the wildlife friendly seed mix described in Attachment 1 (provided to COGCC, landowner, and operator) in all interim reclamation. Operator will submit seed tags to the COGCC SW reclamation specialist within two months of seeding activities.</p> <p>BMP 4 - The operator indicates that they intend to use a closed loop drilling system. If this type of system is unavailable, then the reserve pits will be fenced and netted to exclude birds, bats, and other wildlife as pits are a significant risk of mortality to wildlife.</p> <p>BMP 5 - Secondary containment catchment basins for any vessels holding hazardous materials will be screened to exclude birds, bats, and other wildlife.</p> <p>BMP 6 - Exhaust vent stacks on production equipment will be screened to exclude birds, bats, and other wildlife. CPW has evaluated the proposed oil and gas location.</p>
Construction	<p>Construction/Interim Reclamation BMP: Prior to the start of drilling and completion operations a tertiary berm will be constructed around the wellpad to provide secondary containment to prevent spills, releases, and pollution. The wellpad will be graded to slope to the south into a sediment trap lined with cobbles on the south side of the pad inside the perimeter of the berm. Collection trenches around the inside of the berm will direct runoff to the sediment trap, which will be gated and have a cobble outfall. Upon interim reclamation the pad will be pulled back from the western and southern boundaries and the berm to the north will be left in place. Two collection ditches along the western and eastern edges of the pad will be constructed and graded to direct flow into an oversized rock filled sediment basin on the southern side of the pad. The basin will be surrounded by straw wattles and/or silt fencing.</p>

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 La Plata County weed control technician and will be applied by a professional.
Drilling/Completion Operations	A closed loop system will be used during drilling operations so a pit will be unnecessary.

**S/AR:** ACTION REQUIRED **Comment:** No tertiary berm observed (see comment above). Sediment trap lined with cobble but does not have cobble outfall past gate. At time of inspection, 2 400 bbl tank containing LSND mud. Rig mud tanks. Bulk Diesel tank (on spill prevention) and associated drums and vessels required by rig (glycol, hydraulic fluid, etc.)

**CA:** Demonstrate how location is compliant for tertiary containment COA/install additional containment per COA. **Date:** 05/12/2016

**Stormwater:**

Erosion BMPs	Present	Other BMPs	Present
		Material Handling And Spill Prevention	

S/AR: \_\_\_\_\_

Corrective Action: \_\_\_\_\_ Date: \_\_\_\_\_

Comments: Erosion BMPs: \_\_\_\_\_

Other BMPs: Materials stored in container shed. Spill prevention under bulk fuel tank and at mud pumps.

WADDLES	Yes		
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S/AR: ACTION  
REQUIRED

Corrective Action: Properly install/re-install wattles per Rule 1002.f Date: 05/12/2016

Comments: Erosion BMPs: Wattles layed down on top of sagebrush and wood debris, 1 vertical stake on each end and not trenched in. This installation is inadequate to prevent sediment migration and should be redone. See BMP details in accpeted industry standards/reference documents such as those found at: <https://www.codot.gov/programs/environmental/water-quality/documents/erosion-storm-quality>

Other BMPs: \_\_\_\_\_

RETENTION PONDS	Yes		
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S/AR: SATISFACTO  
RY

Corrective Action: \_\_\_\_\_ Date: \_\_\_\_\_

Comments: Erosion BMPs: present inside perimeter berms, appears undersized for long term sediment control

Other BMPs: \_\_\_\_\_

BERMS	Yes		
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S/AR: \_\_\_\_\_

Corrective Action: \_\_\_\_\_ Date: \_\_\_\_\_

Comments: Erosion BMPs: Berms appear adequate for stormwater but not as secondary or tertiary containment of all fluids stored on location. See COA corrective action above.

Other BMPs: \_\_\_\_\_

**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: 444690 Type: WELL API Number: 067-09972 Status: DG Insp. Status: DG

**Well Drilling**

**Rig:** Rig Name: AWS 507 Pusher/Rig Manager: Chris Baugh  
 Permit Posted: SATISFACTORY Access Sign: SATISFACTORY

**Well Control Equipment:**

Pipe Ram: YES Blind Ram: YES Hydril Type: YES  
 Pressure Test BOP: \_\_\_\_\_ Test Pressure PSI: 1500 Safety Plan: YES

**Drill Fluids****Management:**

Lined Pit: \_\_\_\_\_ Unlined Pit: \_\_\_\_\_ Closed Loop: YES Semi-Closed Loop: \_\_\_\_\_  
 Multi-Well: \_\_\_\_\_ Disposal Location: off site

**Comment:**

8 readily available fire extinguishers  
 TIW valve and dart on rig floor  
 Rig completing rig up operations and expected to spud surface hole at 15:00 hrs.

**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:**

\_\_\_\_\_

Inspector Name: LABOWSKIE, STEVE

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 \_\_\_\_\_

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: \_\_\_\_\_

Inspector Name: LABOWSKIE, STEVE

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

S/A/V: \_\_\_\_\_ Corrective Date: \_\_\_\_\_

Comment: see PREDRILL/COA section for action required regarding perimeter wattles.

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
685200126	NW corner of pad, perimeter berm and wattles	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3852090">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3852090</a>
685200127	west edge location improper wattle installation	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3852091">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3852091</a>
685200128	trench and perimeter berm	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3852092">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3852092</a>
685200129	SW corner of pad, no cobble outfall, wattles	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3852093">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3852093</a>