

**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:

05/19/2016

Document Number:

685200143

Overall Inspection:

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

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	224405	313544	LABOWSKIE, STEVE	<input type="checkbox"/>	

**Operator Information:**OGCC Operator Number: 56680Name of Operator: MERRION OIL & GAS CORPAddress: 610 REILLY AVENUECity: FARMINGTON State: NM Zip: 87401

- ☒ 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
Weems, Mark		mark.weems@state.co.us	
Ferrin, Jeremy		jeremy.ferrin@state.co.us	
Mattox, Jen		jennifer.mattox@state.co.us	
Andrews, Dave		david.andrews@state.co.us	
Thompson, Philana	(505) 324-5300	pthompson@merrion.bz	
Ash, Margaret		margaret.ash@state.co.us	

**Compliance Summary:**QtrQtr: SWSE Sec: 25 Twp: 39N Range: 19W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
08/17/2015	667700681	PR	PR	<b>ACTION REQUIRED</b>			No
12/09/2014	674601297	PR	PR	<b>ACTION REQUIRED</b>			No
10/18/2012	668200227	PR	PR	SATISFACTORY			No
04/16/2012	664000479	PR	PR	<b>ACTION REQUIRED</b>	P		No
03/02/1999	500155176	PR	PR			Pass	No

**Inspector Comment:**

Emission controls have been installed and production resumed with vented gas now being flared. Annual renewal of venting is now required per Rule 912 policy effective 1/16/2016 (see COGCC website). Any flaring of natural gas requires notification of LGD or Emergency Response/fire dept. See "housekeeping", "flaring" and "inspector comments" sections for corrective actions and dates.

**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
224405	WELL	PR	08/04/2003	GW	083-06470	LANIER FARMS 34-25 1	PR

**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

**Signs/Marker:**

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
OTHER	SATISFACTORY	warning/authorized personnel only		
WELLHEAD	SATISFACTORY			
CONTAINERS	SATISFACTORY			
TANK LABELS/PLACARDS	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	oilys soils still observed in 8"X20" area around piping inside tank berms. Tank berms also has vegetation growth. (impacted materials cited in 8/17/15 inspection, overspray outside berms has been cleaned up).	maintain berms per Rule 605.a (4)	07/01/2016
UNUSED EQUIPMENT	ACTION REQUIRED	open top tank now appears to be no longer in use	remove equipment if not intended for use on lease within 6 months per Rule 603.f (see guidance document for further details)	07/01/2016
OTHER	ACTION REQUIRED	oily/impacted material in area whee pumpjack was removed	clean up potential pollutant source per Rule 1002.f(2)d	07/01/2016

**Spills:**

Type	Area	Volume	Corrective action	CA Date
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☐ Multiple Spills and Releases?

<b>Fencing/:</b>				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

<b>Equipment:</b>				
Type: Flare	# 1	Satisfactory/Action Required:	SATISFACTORY	
Comment				
Corrective Action				Date:
Type: Vertical Separator	# 1	Satisfactory/Action Required:	SATISFACTORY	
Comment				
Corrective Action				Date:
Type: Plunger Lift	# 1	Satisfactory/Action Required:	SATISFACTORY	
Comment				
Corrective Action				Date:
Type: Other	# 1	Satisfactory/Action Required:	SATISFACTORY	
Comment	combuster			
Corrective Action				Date:
Type: Flow Line	# 1	Satisfactory/Action Required:	SATISFACTORY	
Comment				
Corrective Action				Date:
Type: Pump Jack	# 0	Satisfactory/Action Required:		
Comment	pumping unit not in use removed			
Corrective Action				Date:
Type: Bird Protectors	# 1	Satisfactory/Action Required:	SATISFACTORY	
Comment				
Corrective Action				Date:
Type: Deadman # & Marked	# 4	Satisfactory/Action Required:	SATISFACTORY	
Comment				
Corrective Action				Date:
Type: Other	# 1	Satisfactory/Action Required:	SATISFACTORY	
Comment	line heater			
Corrective Action				Date:

<b>Facilities:</b>				
<input checked="" type="checkbox"/> New Tank		Tank ID: _____		
Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	1	OTHER	FIBERGLASS AST	,
S/AR	SATISFACTORY		Comment:	
Corrective Action:				Corrective Date:
<b>Paint</b>				
Condition	Adequate			
Other (Content) _____				

Inspector Name: LABOWSKIE, STEVE

Other (Capacity) \_\_\_\_\_

Other (Type) \_\_\_\_\_

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate	Walls Sufficient	Base Sufficient	

Corrective Action		Corrective Date	
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Comment	
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**Facilities:** ☐ New Tank Tank ID: \_\_\_\_\_

Contents	#	Capacity	Type	SE GPS
CRUDE OIL	2	400 BBLS	STEEL AST	,

S/AR	SATISFACTORY	Comment:	
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Corrective Action:		Corrective Date:	
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Paint

Condition	Adequate
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Other (Content) \_\_\_\_\_

Other (Capacity) \_\_\_\_\_

Other (Type) \_\_\_\_\_

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate	Walls Sufficient	Base Sufficient	Adequate

Corrective Action		Corrective Date	
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Comment	see "housekeeping" section
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**Venting:**

Yes/No	YES
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Comment	sales line not present, well unloads with plunger-lift cycle, gas is diverted to combustion and vertical open flare
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**Flaring:**

Type	Ignitor/Combustor	Satisfactory/Action Required	ACTION REQUIRED
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Comment:	Demonstrate compliance (in writing) for rule 912 flaring notification (LGD or Emergency Response), no notification when COGCC checked with LGD and Emergency Manager. Also follow up with APCD if open flare is allowed post completion
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Corrective Action:	Notify LGD or Emergency Responders of flaring of gas per Rule 912	Correct Action Date:	06/03/2016
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**Predrill**

Location ID: 224405

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: 0 Type: \_\_\_\_\_ API Number: - Status: \_\_\_\_\_ Insp. Status: \_\_\_\_\_

**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: \_\_\_\_\_

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: LABOWSKIE, STEVE

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
Berms	Pass					
Compaction	Pass	Compaction	Pass			

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

Y

Comment: see "housekeeping" section for corrective action for clean-up/waste disposal of impacted material where pumpjack was removed

CA: \_\_\_\_\_

**Pits:** ☒ NO SURFACE INDICATION OF PIT

**COGCC Comments**

Comment	User	Date
Rule 912 requires notification of LGD or Emergency Response within 2 hours of any flaring of natural gas. As of 5/24/2016 notification had not been recieved by authorities.	labowsks	06/01/2016
Sundry Notice to vent/flare gas from previous operator was approved 6/4/1986. COGCC adopted policy for Rule 912 1/16/2016 that requires annual renewal of approval to vent and not sell gas. Follow up with SW Regional Engineer Mark Weems.	labowsks	06/01/2016

**Attached Documents**

You can go to COGCC Images (<https://cogcc.state.co.us/weblink/>) and search by document number:

Document Num	Description	URL
685200143	INSPECTION APPROVED	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3868665">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3868665</a>
685200144	open flare	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3868659">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3868659</a>
685200145	open top tank	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3868660">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3868660</a>
685200146	impacted material in tank berms	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3868661">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3868661</a>
685200147	impacted material where pumpjack was	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3868662">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3868662</a>

685200148	combuster	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3868663">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3868663</a>
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