

**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:

06/01/2016

Document Number:

674602526

Overall Inspection:

SATISFACTORY w/ CMT
or AR**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	216721	307063	Maclaren, Joe	<input type="checkbox"/>	

Operator Information:OGCC Operator Number: 10312Name of Operator: PROSPECT ENERGY LLCAddress: 500 DALLAS STREET SUITE 1800City: HOUSTON State: TX Zip: 77002

- ☐ 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
Schlagenhauf, Mark		mark.schlagenhauf@state.co.us	
Smith, Sydney	(303)910-4511	ssmith@progressivepcs.net	All Inspections
McFall, Butch		george.mcfall@memorialrd.com	Production Foreman
Hazard, Ellice		ellice.hazard@state.co.us	

Compliance Summary:QtrQtr: SWSW Sec: 8 Twp: 8N Range: 68W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
12/16/2013	674100120	PR	PR	SATISFACTORY	P		No
07/13/2004	200056876	PR	PR	SATISFACTORY		Pass	No
06/25/2003	200040873	PR	PR	SATISFACTORY		Pass	No
07/23/2002	200028935	PR	PR	SATISFACTORY		Pass	No
07/11/2001	200017831	PR	SI	SATISFACTORY		Pass	No
07/27/2000	200008247	PR	PR	SATISFACTORY		Pass	No
07/28/1998	500150913	PR	PR			Pass	No
07/08/1997	500150912	PR	PR			Pass	No

Inspector Comment:

Engineering Integrity inspection conducted on June 1st, 2016 in response to an initial form 19 spill report Doc #401054614 submitted to COGCC on 05/26/2016. The reports states that 5 bbls of crude oil was released from the flowline of the Martinez 1. Once the leak was discovered the well was isolated effectively stopping the leak. Excavation of the line is underway and the cause of the line failure will be provided once known. Prospect Energy production foreman Butch McFall provided details of repairs completed. Additional information is available in the equipment/ flowline section and comment section at the end of this report. Photo's have been uploaded and can be accessed via link(s) at end of report.

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
216721	WELL	PR	06/30/2011	OW	069-05134	MARTINEZ (MUDDY UNIT) 1	EG	<input checked="" type="checkbox"/>

Inspector Name: Maclaren, Joe

Equipment:

Location Inventory

Special Purpose Pits: _____	Drilling Pits: _____	Wells: _____	Production Pits: _____
Condensate Tanks: _____	Water Tanks: _____	Separators: _____	Electric Motors: _____
Gas or Diesel Motors: _____	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

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
------	------	--------	-------------------	---------

☐ Multiple Spills and Releases?

Fencing/:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Equipment:

Type: Flow Line	# 1	Satisfactory/Action Required:	
Comment	Internal corrosion led to the failure (hole) in the well site flowline near the Martinez 1 wellhead; Approximately 22' of damaged flowline pipe was cut out and replaced with new FBE coated material; Irrigation water filled the construction excavation after flowline repair completed; Flowline pressure testing (post repair) is scheduled to confirm integrity prior to returning well to production.		
Corrective Action		Date:	

Venting:

Yes/No	
Comment	

Flaring:

Type		Satisfactory/Action Required	
------	--	------------------------------	--

Comment:			
Corrective Action:		Correct Action Date:	

Predrill

Location ID: 216721

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: <u>216721</u>	Type: <u>WELL</u>	API Number: <u>069-05134</u>	Status: <u>PR</u>	Insp. Status: <u>EG</u>
----------------------------	-------------------	------------------------------	-------------------	-------------------------

Environmental

Spills/Releases:

Type of Spill: _____ Description: _____ Estimated Spill Volume: _____

Comment: _____

Corrective Action: _____ Date: _____

Reportable: _____ GPS: Lat _____ Long _____

Inspector Name: Maclaren, Joe

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? _____

Inspector Name: Maclaren, Joe

Comment:

Overall Interim Reclamation

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
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

S/A/V:

Corrective Date:

Comment:

CA:

Pits: ☐ NO SURFACE INDICATION OF PIT

COGCC Comments

Comment	User	Date
Forward post repair pressure testing data (and/ or chart) to COGCC Integrity Inspector at joe.maclaren@state.co.us; Provide brief written description outlining root cause of flowline failure, repairs completed and actions taken to prevent reoccurrence.	maclarej	06/03/2016

Attached Documents

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

Document Num	Description	URL
674602536	Well sign	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3871883
674602537	Active site remediation/ New flowline (green FBE)	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3871884
674602538	View of wellhead and associated flowlines	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3871885