

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:
06/14/2016
Document Number:
675202928
Overall Inspection:
SATISFACTORY

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>444194</u>	<u>444194</u>	<u>CONKLIN, CURTIS</u>	<input type="checkbox"/>	

Operator Information:

OGCC Operator Number: 10150
 Name of Operator: BLACK HILLS PLATEAU PRODUCTION LLC
 Address: 1515 WYNKOOP ST STE 500
 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
Danahue, Jessica	(720) 210-1333	jessica.donahue@blackhillsco rp.com	
Hartman, Robert	(970) 244-3041	bhartman@blm.gov	Petroleum Engineer

Compliance Summary:

QtrQtr: NWNE Sec: 10 Twp: 9S Range: 99W

Inspector Comment:

No evidence of location. Permits expired 12/5/17

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
444191	WELL	XX	12/06/2015	LO	077-10322	Winter Flats 10-31-99AH	ND	<input checked="" type="checkbox"/>
444192	WELL	XX	12/06/2015	LO	077-10323	Winter Flats 10-31-99DH	ND	<input checked="" type="checkbox"/>
444193	WELL	XX	12/06/2015	LO	077-10324	Winter Flats 10-31-99CH	ND	<input checked="" type="checkbox"/>
444196	WELL	XX	12/06/2015	LO	077-10325	Winter Flats 10-31-99BH	ND	<input checked="" type="checkbox"/>

Equipment:

Location Inventory

Special Purpose Pits: _____	Drilling Pits: _____	Wells: <u>4</u>	Production Pits: _____
Condensate Tanks: _____	Water Tanks: <u>8</u>	Separators: <u>4</u>	Electric Motors: _____
Gas or Diesel Mortors: _____	Cavity Pumps: _____	LACT Unit: <u>4</u>	Pump Jacks: _____
Electric Generators: _____	Gas Pipeline: _____	Oil Pipeline: _____	Water Pipeline: _____
Gas Compressors: _____	VOC Combustor: _____	Oil Tanks: <u>4</u>	Dehydrator Units: _____
Multi-Well Pits: <u>1</u>	Pigging Station: <u>1</u>	Flare: <u>1</u>	Fuel Tanks: _____

Location

<p>OGLA</p>	<p>kubeczkd</p>	<p>The following conditions of approval (COAs) will apply to the Form 15#400879456 Pit Permit (for the proposed multi-well pit):</p> <p>The multi-well pit must be double-lined (minimum 24 mil thickness for each liner). The pit will also require a leak detection system (Rule 904.e).</p> <p>Operator must submit as-built drawings (plan view and cross-sections) of the multi-well pit within 30 calendar days of construction.</p> <p>No portion of any pit that will be used to hold liquids shall be constructed on fill material, unless the pit and fill slope are designed and certified by a professional engineer, subject to review and approval by the director prior to construction of the pit. The construction and lining of the pit shall be supervised by a professional engineer or their agent. The entire base of the pit must be in cut.</p> <p>For pits containing fluids other than freshwater only; the pit must be fenced. If the pit is not drained, or closure has not begun within 30 days after last use for well completion, the pit must be netted. The operator must maintain the fencing and netting until the pit is closed.</p> <p>After installation of the uppermost liner and prior to operating the pit, the synthetic liner(s) shall be tested by filling the pit with at least 70 percent of operating capacity of water, measured from the base of the pit (not to exceed the 2-foot freeboard requirement). The operator shall monitor the pit for leaks for a period of 72 hours prior to either draining the pit or commencing operations. Operator shall notify the COGCC Oil and Gas Location Assessment (OGLA) Specialist for Western Colorado (Dave Kubeczko; email dave.kubeczko@state.co.us) 48 hours prior to start of the hydrotest. Hydrotest monitoring results must be maintained by the operator for the life of the pit and provided to COGCC prior to using the pit.</p> <p>Additional containment shall be required where temporary or permanent pumps and other necessary equipment or chemicals are located.</p> <p>Operator will use adequately sized containment devices for all chemicals and/or hazardous materials stored or used on location.</p> <p>The operator shall submit, and receive approval of, a reuse and recycling plan per Rule 907.a.(3), prior to any offsite reuse/recycling of pit fluids.</p> <p>Operator will implement measures to ensure that adequate separation of hydrocarbons from the influent occurs to prevent accumulation of oil on the surface of stored completions fluids. Operator shall also employ a method for monitoring buildup of phase-separated hydrocarbons on the surface of stored fluids.</p> <p>No oil is permitted on the surface of completions fluids.</p> <p>This multi-well pit will comply with Rule 902. PITS - GENERAL AND SPECIAL RULES. e. Pits used for a period of no more than three (3) years for storage, recycling, reuse, treatment, or disposal of E&P waste or fresh water, as applicable, may be permitted in accordance with Rule 903 to service multiple wells. The three year time clock will start from the date of first use after hydrostatic testing and be based on submittal of the Form 42 providing that date.</p> <p>The multi-well pit shall be closed in accordance with Rule 905. Closure of Pits, and Buried or Partially Buried Produced Water Vessels; with an approved Site Investigation and Remediation Workplan, Form 27.</p> <p>Submit additional disposal facilities (wells, pits, etc.), if necessary (i.e., if original disposal option changes), for pit liquid contents to COGCC via a Form 4 Sundry prior to disposal.</p> <p>The operator shall submit a Form 27 for COGCC review and approval prior to commencing pit closure activities. The operator shall also submit a Notice of Completion for COGCC review and approval within 30 days of concluding pit closure activities.</p>	<p>10/01/2015</p>
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<p>OGLA</p>	<p>kubeczkd</p>	<p>The moisture content of water/bentonite based mud (WBM) generated drill cuttings managed onsite shall be kept as low as practicable to prevent accumulation of liquids greater than de minimis amounts. After drilling and completion operations have been completed, the WBM drill cuttings that will remain on the well pad location (cuttings management area, the cut portion of the pad, cuttings trench, dry cuttings drilling pit), must meet the applicable standards of Table 910-1. After the drill cuttings have been amended (if necessary) and placed on the well pad, sampling frequency of the drill cuttings (to be determined by the operator) shall be representative of the material left on location. No offsite disposal of cuttings to another oil and gas location shall occur without prior approval of a Waste Management Plan (submitted via a Form 4 Sundry Notice) specifying disposal location and waste characterization method. Commercial disposal of drill cuttings will only require notification to COGCC via a Form 4 Sundry Notice.</p> <p>A closed loop system must be implemented during drilling. If operator needs to use oil based mud (OBM) or high chloride/TDS based mud (salt based mud [SBM]), then the following requirements will be necessary. All cuttings generated during drilling with OBM or SBM must be kept in tanks/containers, or placed on a lined/bermed portion of the well pad; prior to disposition. The moisture content of any OBM- or SBM-generated drill cuttings in a cuttings containment area or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts. At the time of closure, if any of the drill cuttings are to be left onsite (cuttings management area, the cut portion of the pad, cuttings trench, dry cuttings drilling pit), they must also meet the applicable standards of Table 910-1. Operator has indicated that all cuttings will be manifested and disposed offsite at an approved commercial facility. All liners associated with OBM or SBM cuttings must be disposed of offsite per CDPHE rules and regulations.</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, storage vessel, or the lined multi-well pit 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 with additional downgradient perimeter berming. The area where flowback fluids will be stored/reused must be constructed to be sufficiently impervious to contain any spilled or released material.</p> <p>Operator will implement measures to ensure that adequate separation of hydrocarbons from the influent occurs to prevent accumulation of oil on the surface of stored completions fluids. Operator shall also employ a method for monitoring buildup of phase-separated hydrocarbons on the surface of stored fluids.</p> <p>No oil is permitted on the surface of completions fluids.</p> <p>Potential odors associated with the completions process and/or with long term production operations must be controlled/mitigated.</p>	<p>10/01/2015</p>
<p>OGLA</p>	<p>kubeczkd</p>	<p>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.</p> <p>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.</p>	<p>10/01/2015</p>
<p>OGLA</p>	<p>kubeczkd</p>	<p>Notify the COGCC 48 hours prior to start of pad construction, pit construction (if different than pad construction), pit liner installation, multi-well pit hydrostatic testing, start of use of multi-well pit, start of modular large volume tank (MLVT) construction, rig mobilization, spud, start of hydraulic stimulation operations, start of flowback operations (if different than the start of hydraulic stimulation operations), and pipeline testing using Form 42 (the appropriate COGCC individuals will automatically be email notified, including the LGD for hydraulic stimulation operations).</p>	<p>10/01/2015</p>

<p>OGLA</p>	<p>kubeczkd</p>	<p>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.</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, including encouraging established speed limits on private roads, to reduce fugitive dust and coating of vegetation and deposition in water sources.</p> <p>Operator shall stabilize exposed soils and slopes as an interim measure during operations at this pit site.</p> <p>Flowback and stimulation fluids from the wells/pads being completed using fluids from this pit (if applicable) must be sent to tanks, separators, or other containment/filtering equipment before the fluids can be placed into any pipeline or storage vessel, or lined pit (only if a Form 15 Earthen Pit Permitted has been submitted/approved, which operator has done) located on the well pad; or into tanker trucks for delivery back to this pit. 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>Berms or other containment devices around crude oil, condensate, and produced water storage tanks shall be constructed to be sufficiently impervious (corrugated steel with poly liner or equivalent protection) to contain any spilled or released material.</p> <p>Additional containment shall be required where temporary or permanent pumps and other necessary equipment or chemicals are located.</p> <p>Operator will use adequately sized containment devices for all chemicals and/or hazardous materials stored or used on location.</p>	<p>10/01/2015</p>
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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>444191</u>	Type: <u>WELL</u>	API Number: <u>077-10322</u>	Status: <u>XX</u>	Insp. Status: <u>ND</u>
Facility ID: <u>444192</u>	Type: <u>WELL</u>	API Number: <u>077-10323</u>	Status: <u>XX</u>	Insp. Status: <u>ND</u>
Facility ID: <u>444193</u>	Type: <u>WELL</u>	API Number: <u>077-10324</u>	Status: <u>XX</u>	Insp. Status: <u>ND</u>
Facility ID: <u>444196</u>	Type: <u>WELL</u>	API Number: <u>077-10325</u>	Status: <u>XX</u>	Insp. Status: <u>ND</u>

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: 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: _____

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: _____

CA: _____

Pits: NO SURFACE INDICATION OF PIT