

**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:

06/17/2016

Document Number:

673403285

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

| | | | | | |
|---------------------|-------------|--------|-----------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | 222189 | 312758 | Waldron, Emily | <input type="checkbox"/> | |

Operator Information:OGCC Operator Number: 82440Name of Operator: STEHLE OIL COMPANYAddress: P O BOX 1577City: CRAIG State: CO Zip: 81626

- ☒ 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 |
|----------------|----------------|---------------------------|---------|
| Neidel, Kris | | kris.neidel@state.co.us | |
| Kubeczko, Dave | | dave.kubeczko@state.co.us | |
| Stehle, Cary | (970) 824-6909 | carystehle@gmail.com | |
| Fischer, Alex | | alex.fischer@state.co.us | |

Compliance Summary:QtrQtr: NWNE Sec: 23 Twp: 4N Range: 92W

| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Action Required | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|-------------------------------|----------|----------------|-----------------|
| 06/15/2015 | 673402169 | SI | SI | ACTION REQUIRED | | | No |
| 07/23/2014 | 673400875 | SI | SI | ACTION REQUIRED | | | No |
| 11/15/2013 | 673400085 | PR | PR | ACTION REQUIRED | F | | No |
| 12/02/2011 | 200341791 | PR | TA | ACTION REQUIRED | | | Yes |
| 03/12/2002 | 200025297 | ES | PR | ACTION REQUIRED | | Fail | No |
| 04/18/2000 | 200007132 | PR | PR | ACTION REQUIRED | | Fail | No |

Inspector Comment:**Related Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status | |
|-------------|------|--------|-------------|------------|-----------|-------------------------|-------------|-------------------------------------|
| 222189 | WELL | SI | 01/16/2016 | OW | 081-05136 | ILES INVESTMENT CO 1-23 | SI | <input checked="" type="checkbox"/> |

Equipment:Location Inventory

Inspector Name: Waldron, Emily

| | | | |
|------------------------------|------------------------|---------------------|-------------------------|
| 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 |
|----------------------|------------------------------|--|---------------------------------------|------------|
| TANK LABELS/PLACARDS | ACTION REQUIRED | No lables or incomplete labels on tanks. | Install sign to comply with rule 210. | 01/03/2014 |
| BATTERY | SATISFACTORY | At entrance. | | |
| WELLHEAD | ACTION REQUIRED | No wellhead sign. | Install sign to comply with rule 210. | 01/03/2014 |

Emergency Contact Number (S/AR): SATISFACTORY

Corrective Date: _____

Comment: 970-824-6909

Corrective Action: _____

Good Housekeeping:

| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
|-------|------------------------------|---|-------------------|---------|
| WEEDS | SATISFACTORY | Weeds mentioned in previous report remain. They have been recently mowed. | | |

Spills:

| Type | Area | Volume | Corrective action | CA Date |
|-----------|------|----------|---|------------|
| Crude Oil | Tank | <= 1 bbl | Immediately contact COGCC environmental staff Kris Neidel kris.neidel@state.co.us 970-871-1963 to discuss proper removal of product and soil. | 12/27/2013 |

☐ Multiple Spills and Releases?

Fencing/:

| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
|------|------------------------------|---------|-------------------|---------|
| | | | | |

Equipment:

| Type: | # | Satisfactory/Action Required: | |
|-------------------|---|-------------------------------|-------------|
| Comment | | | |
| Corrective Action | | | Date: _____ |

Inspector Name: Waldron, Emily

| | | | | | |
|--------------------|-----------------|---|--|----------------|-----------------------------|
| Facilities: | | New Tank | | Tank ID: _____ | |
| Contents | # | Capacity | Type | SE GPS | |
| | 1 | 500 BBLS | STEEL AST | | |
| S/AR | ACTION REQUIRED | | Comment: Leak observed at tank base. Stained soil at base. | | |
| Corrective Action: | | Securely fasten all valves, pipes, and fittings to ensure good mechanical condition per Rule 605.d. | | | Corrective Date: 07/21/2016 |

Paint

| | |
|------------------|--|
| Condition | |
| Other (Content) | |
| Other (Capacity) | |
| Other (Type) | |

Berms

| | | | | |
|-------------------|------------|--|---------------------|----------------------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| | Inadequate | | | Inadequate |
| Corrective Action | | Repair or install berms or other secondary containment devices per Rule 605.a.(4). | | Corrective Date 01/03/2014 |
| Comment | | No berm. | | |

Facilities: ☒ New Tank Tank ID: _____

| | | | | |
|--------------------|-----------------|---|--|------------------|
| Contents | # | Capacity | Type | SE GPS |
| CRUDE OIL | 2 | 400 BBLS | STEEL AST | |
| S/AR | ACTION REQUIRED | | Comment: Stained soil and leaks observed at tank base. | |
| Corrective Action: | | Securely fasten all valves, pipes, and fittings to ensure good mechanical condition per Rule 605.d. | | Corrective Date: |

Paint

| | |
|------------------|--|
| Condition | |
| Other (Content) | |
| Other (Capacity) | |
| Other (Type) | |

Berms

| | | | | |
|-------------------|------------|--|---------------------|----------------------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| | Inadequate | | | Inadequate |
| Corrective Action | | Repair or install berms or other secondary containment devices per Rule 605.a.(4). | | Corrective Date 07/21/2016 |
| Comment | | No berm. | | |

Venting:

| | |
|---------|----|
| Yes/No | NO |
| Comment | |

Flaring:

| | | | |
|--------------------|--|------------------------------|--|
| Type | | Satisfactory/Action Required | |
| Comment: | | | |
| Corrective Action: | | Correct Action Date: | |

Predrill

Location ID: 222189

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: 222189 Type: WELL API Number: 081-05136 Status: SI Insp. Status: SI

Idle WellPurpose: ☒ Shut In ☐ Temporarily Abandoned Reminder: _____

S/A/V: SATISFACTORY CA Date: _____

CA: _____

Comment: _____

Environmental**Spills/Releases:**

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

Comment: _____

Date: _____

Inspector Name: Waldron, Emily

| | | |
|--|--|--|
| Corrective Action: _____ | | |
| Reportable: _____ | GPS: Lat _____ | Long _____ |
| Proximity to Surface Water: _____ | | Depth to Ground Water: _____ |
| <u>Water Well:</u> | | |
| DWR Receipt Num: _____ | Owner Name: _____ | GPS : _____ |
| <u>Field Parameters:</u> | | |
| Sample Location: _____ | | |
| Emission Control Burner (ECB): _____ | | |
| Comment: _____ | | |
| Pilot: _____ | Wildlife Protection Devices (fired vessels): _____ | |
| <u>Reclamation - Storm Water - Pit</u> | | |
| <u>Interim Reclamation:</u> | | |
| 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 | | |
| <u>Cropland</u> | | |
| Top soil replaced _____ | Recontoured _____ | Perennial forage re-established _____ |
| <u>Non-Cropland</u> | | |

Inspector Name: Waldron, Emily

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: _____

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: **ACTION REQUIRED**

Corrective Date: **06/15/2015**

Comment: **No stormwater BMPs observed. No containment around leaking crude oil tanks. Location is adjacent to irrigation ditch and small stream.**

CA: **Install or repair required BMPs per Rule 1002.f. Refer to the 1002.f guidance document for further details.**

Pits: ☐ NO SURFACE INDICATION OF PIT

Inspector Name: Waldron, Emily

Pit Type: _____ Lined: _____ Pit ID: _____ Lat: 40.311380 Long: -107.678210

Lining:

Liner Type: _____ Liner Condition: _____

Comment: _____

Fencing:

Fencing Type: _____ Fencing Condition: _____

Comment: _____

Netting:

Netting Type: _____ Netting Condition: _____

Comment: _____

Anchor Trench Present: _____ Oil Accumulation: YES 2+ feet Freeboard: _____

Pit (S/A/V): ACTION Comment: Pit on location with no fencing, no netting, less than 2 feet of freeboard and free product present. Inspector called emergency number on location on 6/17/2016 and was unable to contact operator or leave a voicemail.

Corrective Action: Remove oil from pit per Rule 902.c.
Lower fluid level so at least two feet of freeboard exists per Rule 902.b.
Net or fence pit to prevent access per rule 902.d.
Contact COGCC OGLA staff regarding pit constructed without permit per rule 903.a.

Date: 06/22/2016

COGCC Comments

| Comment | User | Date |
|--|----------|------------|
| Follow up to inspection from 6/15/2015 document number 673402169. No corrective actions have been performed. | waldrone | 06/17/2016 |

Attached Documents

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

| Document Num | Description | URL |
|--------------|---------------------|---|
| 673403285 | INSPECTION APPROVED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3883799 |
| 673403296 | Inspection Photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3883795 |