

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:
06/29/2016
Document Number:
684901528
Overall Inspection:
SATISFACTORY

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	435249	435249	Pesicka, Conor	<input type="checkbox"/>	

Operator Information:

OGCC Operator Number: 10373
Name of Operator: NGL WATER SOLUTIONS DJ LLC
Address: 3773 CHERRY CRK NORTH DR #1000
City: DENVER State: CO Zip: 80209

- 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
Patterson, Joshua	970.356.5560	Joshua.Patterson@nglep.com	VP of Operations

Compliance Summary:

QtrQtr: SESE Sec: 27 Twp: 5N Range: 61W

Inspector Comment:

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
435244	WELL	IJ	01/27/2015	DSPW	123-38533	NGL C11	AC	<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>8</u>	Separators: <u> </u>	Electric Motors: <u> </u>
Gas or Diesel Mortors: <u> </u>	Cavity Pumps: <u> </u>	LACT Unit: <u> </u>	Pump Jacks: <u>1</u>
Electric Generators: <u>1</u>	Gas Pipeline: <u> </u>	Oil Pipeline: <u> </u>	Water Pipeline: <u> </u>
Gas Compressors: <u> </u>	VOC Combustor: <u>1</u>	Oil Tanks: <u>4</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
CONTAINERS	SATISFACTORY	diesel		
BATTERY	SATISFACTORY			

Inspector Name: Pesicka, Conor

WELLHEAD	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

Spills:

Type	Area	Volume	Corrective action	CA Date
<input type="checkbox"/> Multiple Spills and Releases?				

Fencing/:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Equipment:

Type: Ancillary equipment	# 1	Satisfactory/Action Required: SATISFACTORY
Comment	containers - 1 diesel	
Corrective Action	Date:	

Facilities: New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	1	OTHER	FIBERGLASS AST	40.365970,-104.189470
S/AR	SATISFACTORY		Comment: sand tank	
Corrective Action:				Corrective Date:

Paint

Condition	Adequate
Other (Content)	_____
Other (Capacity)	800bbl
Other (Type)	_____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Corrective Action				Corrective Date
Comment	Shared with produced water			

Facilities: New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	3	1000 BBLs	FIBERGLASS AST	40.365970,-104.189470
S/AR	SATISFACTORY		Comment: 2 clean, 1 gun barrel	
Corrective Action:				Corrective Date:

Paint

Condition	Adequate
Other (Content)	_____
Other (Capacity)	_____
Other (Type)	_____

Berms

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

Corrective Action	_____	Corrective Date	_____
Comment	_____		

Facilities: New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	4	OTHER	FIBERGLASS AST	40.365970,-104.189470

S/AR	SATISFACTORY	Comment:	4 system tanks
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Corrective Action:	_____	Corrective Date:	_____
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Paint

Condition	Adequate
Other (Content)	_____
Other (Capacity)	750bbl
Other (Type)	_____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance

Corrective Action	_____	Corrective Date	_____
Comment	Shared with produced water		

Facilities: New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
CRUDE OIL	5	400 BBLS	STEEL AST	40.365970,-104.189470

S/AR	SATISFACTORY	Comment:	1 sales, 1 heat, 1 slop
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Corrective Action:	_____	Corrective Date:	_____
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Paint

Condition	Adequate
Other (Content)	_____
Other (Capacity)	_____
Other (Type)	_____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance

Corrective Action	_____	Corrective Date	_____
Comment	Shared with produced water		

Venting:

Yes/No	NO
Comment	

Flaring:

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

Predrill

Location ID: 435249

Lease Road Adeq.: _____ Pads: _____ Soil Stockpile: _____

S/AR: _____

Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:

Group	User	Comment	Date
OGLA	andrewsd	Upon decommissioning, de minimus amounts of freshwater remaining in the LVSTs may be discharged onto the location.	10/22/2013
OGLA	andrewsd	LVSTs may only be utilized for the storage of freshwater. E&P wastes, including treated E&P wastes, are not allowed.	10/22/2013
OGLA	andrewsd	Site preparation oversight will be provided by a Colorado Licensed Professional Engineer or their designated representative	10/22/2013
OGLA	andrewsd	Large Volume Storage Tanks (LVSTs) shall not be located on non-engineered fill material.	10/22/2013
OGLA	andrewsd	Setback rules applicable to tanks at the time of permit application shall apply to the siting of the LVSTs.	10/22/2013
OGLA	andrewsd	Operators or their designated representatives shall conduct regular visual inspections of the exterior wall and general area for any integrity deficiencies. These inspections will be recorded and maintained for a period of at least 5 years per Rule 205. Inspection records shall be provided to the COGCC upon request.	10/22/2013
OGLA	andrewsd	Operator shall develop a Contingency Plan for any LVST leak or catastrophic failure of the tank integrity and resulting loss of fluid. The plan Should include a notification process to the COGCC and local Emergency authority (municipality, county, or both) for any failure and resulting loss of fluid. Best Management Practices shall be employed to prevent injuries, property damage or environmental impacts, such as erosion of onsite sediment into nearby surface water. The Contingency Plan shall be submitted to the COGCC as an attachment to the Form 2A or Form 4 Sundry Notice prior to construction and operation of the LVSTs.	10/22/2013
OGLA	andrewsd	LVSTs will be operated with a minimum of 1 foot freeboard.	10/22/2013
OGLA	andrewsd	All liner seams shall be welded at the liner manufacturers facility; field welded liners shall not be used. Liner material shall not be reused	10/22/2013
OGLA	andrewsd	Access to the tanks shall be controlled by the operator and limited to operational personnel, COGCC, or other Local Government Designee personnel.	10/22/2013
OGLA	andrewsd	LVSTs will be brought into service incrementally, by loading to 25%, 50%, 75%, and 100% capacity (subject to freeboard) and held at each level without leaks for 24-hours prior to increasing load.	10/22/2013
OGLA	andrewsd	The operator shall notify the COGCC 48 hours prior to start of LVST construction, liner installation, start of hydrostatic testing, and start of hydraulic stimulation operations using COGCC Form 42.	10/22/2013
OGLA	andrewsd	Signs shall be posted on each LVST to indicate contents are freshwater and that no E&P waste fluids are allowed. Location and additional signage shall conform to Rule 210.	10/22/2013
OGLA	andrewsd	LVST installation oversight shall be provided by a Colorado Licensed Professional Engineer or their designated representative.	10/22/2013

S/AR: _____ **Comment:** _____

CA: _____ **Date:** _____

Wildlife BMPs:

BMP Type	Comment
Drilling/Completion Operations	<p>BBC will be utilizing 1 40,000 bbl tanks provided by Well Water Solutions. The tanks are approximately 156 feet in diameter and 12 feet tall. Well Water Solution's tanks are manufactured in accordance with designs and specifications that have been reviewed and certified by a Professional Engineer. The tanks will be erected by Well Water Solutions or a contractor authorized by Well Water Solutions to set up their tanks. The tanks will be filled with fresh water obtained from local fresh water sources. The tanks will be placed within the perimeter berm that will be constructed around the entire pad.</p> <p>The tank will be set on cut only. We also bring in dirt and create a solid, flat, and level area for the tank to sit on before the vender starts work on the tank. Then the vender digs a small trench and lays down a geo pad before starting to assemble the tank.</p> <p>During initial pad construction, compactors are utilized along with wetting of soil while compacting. Also all fittings and flow lines are schedule 80 (2400 psi WP) along with all connections being welded. Tanks will be placed on a bed of sand with a 36 mil synthetic liner that is attached to 3' corrugated containment.</p> <p>Please see diagrams attached.</p>

<p>Storm Water/Erosion Control</p>	<p>GENERAL</p> <ul style="list-style-type: none"> • Utilize diking and other forms of containment and diversions around tanks, drums, chemicals, liquids, pits, impoundments, or well pads • Use drip pans, sumps, or liners where appropriate • Limit the amount of land disturbed during construction of pad, access road, and facilities • Employ spill response plan (SPCC) for all facilities • Dispose properly offsite any wastes fluids and other materials <p>MATERIAL HANDLING, ACTIVITIES, PRACTICES AND STORM WATER DIVERSION</p> <ul style="list-style-type: none"> • Secondary containment of tanks, drums, and storage areas is mandatory to prohibit discharges to surface waters. A minimum of 110% capacity required of largest storage tank within a containment area • Material handling and spill prevention procedures and practices will be followed to help prohibit discharges to surface waters • Proper loading, and transportation procedures to be followed for all materials to and from locations <p>EROSION CONTROL</p> <ul style="list-style-type: none"> • Pad and access road to be designed to minimize erosion • Pad and access road to implement appropriate erosion control devices where necessary to minimize erosion • Routine inspections of sites and controls to be implemented with additions, repairs, and optimization to occur as necessary to minimize erosion <p>SELF INSPECTION, MAINTENANCE, AND HOUSEKEEPING</p> <ul style="list-style-type: none"> • All employees are trained in spill response, good housekeeping, material management practices, and procedures for equipment and container washing annually • Conduct internal storm water inspections per applicable stormwater regulations • Conduct routine informal inspections of all tanks and storage facilities at least weekly • All containment areas are to be inspected weekly or following a heavy rain event. • Any excessive precipitation accumulation within containment should be removed as appropriate and disposed of properly • All structural berms, dikes, and containment will be inspected periodically to ensure they are operating correctly <p>SPILL RESPONSE</p> <ul style="list-style-type: none"> • Spill response procedures as per the BBC field SPCC Plan <p>VEHICLE & LOCATION PROCEDURES</p> <ul style="list-style-type: none"> • Vehicles entering location are to be free of chemical, oil, mud, weeds, trash, and debris • Location to be treated to kill weeds and bladed when necessary
<p>Drilling/Completion Operations</p>	<p>NOTIFICATIONS</p> <ul style="list-style-type: none"> • Proper notifications required by COGCC regulations or policy memos will be adhered to <p>TRENCHES/PITS/TEMPORARY FRAC TANKS</p> <ul style="list-style-type: none"> • Unlined pits will not be constructed on fill material. • Any free liquids accumulated in the containment would be removed and hauled to an approved waste disposal facility. Drill cuttings would either be hauled to an approved spread field or waste disposal facility or would be treated and disposed of onsite. Disposal methods would comply with COGCC regulations. • Flowback and stimulation fluids from the wells being completed will be sent to tanks and/or filters to allow the sand to settle out before the fluids are hauled to a state approved disposal facility. • Temporary frac tanks installed on location will have proper secondary containment according to SPCC regulations such as either putting a perimeter berm around location or around the frac tanks.

S/IAR: _____ **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: 435244 Type: WELL API Number: 123-38533 Status: IJ Insp. Status: AC

Underground Injection Control

UIC Violation: _____ Maximum Injection Pressure: _____

UIC Routine

Inj./Tube:	Pressure or inches of Hg <u>500</u>	Previous Test Pressure _____	MPP _____
	(e.g. 30 psig or -30" Hg)		Inj Zone: <u>VRGL</u>
TC:	Pressure or inches of Hg <u>0</u>	Previous Test Pressure _____	Last MIT: <u>10/29/2014</u>
Brhd:	Pressure or inches of Hg <u>0</u>	Previous Test Pressure _____	AnnMTRReq: _____

Comment: _____

Method of Injection: PUMP FEED

Test Type: _____ Tbg psi: _____ Csg psi: _____ BH psi: _____

Insp. Status: _____

Comment: _____

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): N

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? Pass

CM _____

CA _____ CA Date _____

Unused or unneeded equipment onsite? Pass

CM _____

CA _____ CA Date _____

Pit, cellars, rat holes and other bores closed? Pass

CM _____

CA _____ CA Date _____

Guy line anchors marked? _____

CM _____

CA _____ CA Date _____

1003b. Area no longer in use? In Production areas stabilized ? Pass

1003c. Compacted areas have been cross ripped? _____

1003d. Drilling pit closed? Pass Subsidence over on drill pit? Pass

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
Berms	Pass	Culverts	Pass			
Gravel	Pass	Gravel	Pass			
Seeding	Pass					

S/A/V: SATISFACTOR _____ Corrective Date: _____
Y _____

Comment: _____

CA: _____

Pits: NO SURFACE INDICATION OF PIT