

**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:

07/24/2016

Document Number:

680100985

Overall Inspection:

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

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	413683	413683	Colby, Lou	<input type="checkbox"/>	

Operator Information:OGCC Operator Number: 96850Name of Operator: TEP ROCKY MOUNTAIN LLCAddress: PO BOX 370City: PARACHUTE State: CO Zip: 81635

- ☐ 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
		COGCCInspectionReports@terraep.com	All Inspections

Compliance Summary:QtrQtr: LOT 3 Sec: 7 Twp: 7S Range: 93W**Inspector Comment:**

This is an Interim Reclamation and Stormwater focused Inspection. Any Corrective Actions from previous Inspections that have not been addressed are still applicable. Inspection was prompted by Construction Notice Doc#401077539; though No Construction / Dirt Work had commenced at time of Inspection.

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
412031	WELL	PR	04/30/2011	GW	045-18420	Youberg SR 333-12	RI	<input checked="" type="checkbox"/>
412032	WELL	PR	05/10/2011	GW	045-18421	Youberg SR 33-12	RI	<input checked="" type="checkbox"/>
412033	WELL	PR	08/16/2011	GW	045-18422	Youberg SR 443-12	RI	<input checked="" type="checkbox"/>
412034	WELL	PR	05/13/2013	GW	045-18423	Youberg SR 43-12	RI	<input checked="" type="checkbox"/>
446544	WELL	XX	07/11/2016		045-23246	YOUBERG RU 314-7	RI	<input checked="" type="checkbox"/>
446545	WELL	XX	07/11/2016		045-23247	YOUBERG RU 524-7	RI	<input checked="" type="checkbox"/>
446546	WELL	XX	07/11/2016		045-23248	YOUBERG SR 442-12	RI	<input checked="" type="checkbox"/>
446547	WELL	XX	07/11/2016		045-23249	YOUBERG RU 513-7	RI	<input checked="" type="checkbox"/>
446548	WELL	XX	07/11/2016		045-23250	YOUBERG SR 44-12	RI	<input checked="" type="checkbox"/>
446549	WELL	XX	07/11/2016		045-23251	YOUBERG RU 313-7	RI	<input checked="" type="checkbox"/>
446550	WELL	XX	07/11/2016		045-23252	YOUBERG RU 324-7	RI	<input checked="" type="checkbox"/>
446551	WELL	XX	07/11/2016		045-23253	YOUBERG SR 444-12	RI	<input checked="" type="checkbox"/>
446552	WELL	XX	07/11/2016		045-23254	YOUBERG SR 342-12	RI	<input checked="" type="checkbox"/>
446553	WELL	XX	07/11/2016		045-23255	YOUBERG SR 544-12	RI	<input checked="" type="checkbox"/>
446554	WELL	XX	07/11/2016		045-23256	YOUBERG SR 344-12	RI	<input checked="" type="checkbox"/>
446555	WELL	XX	07/11/2016		045-23257	YOUBERG RU 413-7	RI	<input checked="" type="checkbox"/>

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446556	WELL	XX	07/11/2016		045-23258	YOUBERG RU 424-7	RI	<input checked="" type="checkbox"/>
446557	WELL	XX	07/11/2016		045-23259	YOUBERG RU 14-7	RI	<input checked="" type="checkbox"/>
446558	WELL	XX	07/11/2016		045-23260	YOUBERG RU 514-7	RI	<input checked="" type="checkbox"/>
446559	WELL	XX	07/11/2016		045-23261	YOUBERG RU 24-7	RI	<input checked="" type="checkbox"/>

Equipment:

Location Inventory

Special Purpose Pits: _____	Drilling Pits: _____	Wells: <u>20</u>	Production Pits: _____
Condensate Tanks: <u>4</u>	Water Tanks: <u>2</u>	Separators: <u>20</u>	Electric Motors: _____
Gas or Diesel Mortors: _____	Cavity Pumps: _____	LACT Unit: _____	Pump Jacks: _____
Electric Generators: _____	Gas Pipeline: _____	Oil Pipeline: _____	Water Pipeline: _____
Gas Compressors: _____	VOC Combustor: <u>1</u>	Oil Tanks: <u>1</u>	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: _____	# _____	Satisfactory/Action Required: _____
Comment _____		
Corrective Action _____	Date: _____	

Venting:

Yes/No _____
Comment _____

Flaring:

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

Predrill

Location ID: 413683

Lease Road Adeq.: _____

Pads: _____

Soil Stockpile: _____

S/AR: _____

Corrective Action: _____

Date: _____

CDP Num.: _____

Form 2A COAs:

Group	User	Comment	Date
OGLA	kubeczkd	In addition to the notifications required by COGCC listed in the Northwest Notification Policy (Notice of Intent to Construct a New Location, Notice of Intent to Spud Surface Casing, and Notice of Intent to Commence Hydraulic Fracturing Operations) and Rule 316C. COGCC Form 42. FIELD OPERATIONS NOTICE (a. Notice of Intent to Conduct Hydraulic Fracturing Treatment and c. Notice of Construction or Major Change); operator shall notify the COGCC 48 hours prior to pipeline testing (flowlines from wellheads to separators to tanks; and/or any temporary surface lines used for hydraulic stimulation and/or flowback operations) using the Form 42 (as described in Rule 316C.m. Notice of Completion of Form 2/2A Permit Conditions). The appropriate COGCC individuals will automatically be email notified.	07/06/2016
OGLA	kubeczkd	<p>Operator shall pressure test pipelines (flowlines from wellheads to separators to tanks; and any temporary surface lines used for hydraulic stimulation and/or flowback operations) 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 must routinely inspect the entire length of the surface pipeline to ensure integrity. Operator shall conduct daily inspections of surface poly pipeline routes for leaks during active transfer of fluids and implement best management practices to contain any unintentional release of fluids along all portions of the surface pipeline route where temporary pumps and other necessary equipment are located. Inspections shall be conducted by viewing the length of the pipeline; operator will endeavor to minimize surface disturbance during pipeline monitoring. In addition, pump stations along the surface poly or steel pipeline route will be continuously monitored when operating in order to swiftly respond to such a failure.</p> <p>Operator will implement BMPs necessary to mitigate a potential for a release of fluids to impact streams, intermittent streams, ditches, and drainage crossings. For these crossings: if poly pipe is used on the surface, operator will ensure appropriate containment by either installing over-sized pipe "sleeves" which extend the length of the crossing and beyond to a distance deemed adequate to capture (catchment basins) and/or divert any possible release of fluids and prevent fluids from reaching the stream or drainage; installing over-sized pipe "sleeves" which extend the length of the crossing and installing shut off valves on either side of crossing instead of catchment basins; or develop an alternative means for containment. For all other pipeline materials, operator will implement BMPs necessary to mitigate a potential for E&P fluids not to reach groundwater or flowing surface water.</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 temporary surface pipelines. This will reduce surface disturbance and fragmentation of wildlife habitat in the area.</p>	07/06/2016

OGLA	kubeczkd	<p>Operator must ensure secondary containment for any volume of fluids contained at the 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 fluid containment/control as well as stormwater management for the control of run-on and run-off) sufficiently protective of nearby surface water. Any berm constructed at the well pad location will be stabilized, inspected at regular intervals as required by CDPHE (at least every 14 days and after precipitation events), and maintained in good condition.</p> <p>The design/build of any perimeter berm or fluid management structures shall be sized, constructed, and compacted sufficiently to contain and/or manage potential fluid releases during operations in a manner that prevents or controls potential sedimentation and scouring on adjacent lands and drainages. Such design/build of perimeter berms or fluid management structures may include, but are not limited to the following: on location berms; diversion ditches; enhanced vegetation; or other design features necessary to achieve the goal of protecting adjacent lands and drainages from potential sedimentation and scouring.</p> <p>The location is in an area of moderate to high run-on/run-off potential; therefore standard stormwater BMPs must be implemented; prior to, during, and after construction, as well as during drilling, completion, and production operations; at this location to insure compliance with CDPHE and COGCC requirements and to prevent any stormwater run-on and /or stormwater run-off.</p> <p>The access road will be maintained as to not allow 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>Berms or other containment devices shall be constructed to be sufficiently impervious (corrugated steel with poly liner) to contain any spilled or released material around permanent produced water, oil, and condensate storage tanks.</p>	07/06/2016
OGLA	kubeczkd	<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. No liners are allowed to be disposed of with the drill cuttings. 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>Flowback and stimulation fluids must be sent to enclosed tanks, separators, or other containment/filtering equipment before the fluids can be placed into any pipeline storage vessel, or other open top containment located on the well pad; or into tanker trucks for offsite disposal. No open top tanks can be used for initial flowback fluids containment. 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. No additional downgradient berming is required if operator constructs a sufficiently sized perimeter berm.</p> <p>Potential odors associated with the completions process and/or with long term production operations must be controlled/mitigated.</p>	07/06/2016

S/AR: _____

Comment: _____

CA: Date: **Wildlife BMPs:**

BMP Type	Comment
Planning	<ul style="list-style-type: none"> * Maximize the utility of surface facilities by developing multiple wells from a single pad (directional drilling), and by co-locating multipurpose facilities (for example, well pads and compressors) to avoid unnecessary habitat fragmentation and disturbance of additional geographic areas. * Minimize newly planned activities and operations within 300 feet of the ordinary high water mark of any reservoir, lake, wetland, or natural perennial or seasonally flowing stream or river. * Avoid constructing any road segment in the channel of an intermittent or perennial stream * Minimize the number, length, and footprint of oil and gas development roads * Use existing roads where possible * Combine utility infrastructure (gas, electric, and water) planning with roadway planning to avoid separate utility corridors * Combine and share roads to minimize habitat fragmentation * Where possible, consolidate pipeline and existing roadways, or roadways that are planned for development * Maximize the use of directional drilling to minimize habitat loss/fragmentation * Maximize use of long-term centralized tank batteries to minimize traffic * Maximize use of remote telemetry for well monitoring to minimize traffic * Phase and concentrate development activities, so that large areas of undisturbed habitat for wildlife remain. * Maintain undeveloped areas within development boundaries sufficient to allow wildlife to persist within development * boundaries during all phases of construction, drilling, and production.
Drilling/Completion Operations	<ul style="list-style-type: none"> * WPX will ensure 110 percent secondary containment for any volume of fluids contained at the well site during drilling and completions operations. * WPX will implement best management practices to contain any unintentional release of fluids. * Either a lined drilling pit or closed loop system will be implemented. * Install and maintain adequate measures to exclude all types of wildlife (e.g., big game, birds, and small rodents) from all fluid pits (e.g., fencing, netting, and other appropriate exclusion measures).
Interim Reclamation	<ul style="list-style-type: none"> * Remove well pad and road surface materials that are incompatible with post-production land use and re-vegetation requirements * Use only certified weed-free native seed in seed mixes, except for non-native plants that benefit wildlife * WPX Energy will use certified, weed free grass hay, straw, hay or other mulch materials used for the reseeding and reclamation of disturbed areas. * Install exclusionary devices to prevent bird and other wildlife access to equipment stacks, vents and openings. Reduce visits to well-sites through remote monitoring (i.e. SCADA) and the use of multi-function contractors.

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:

Inspector Name: Colby, Lou

Date Onsite Request Received: _____	Date of Rule 306 Consultation: _____
Request LGD Attendance: _____	
<u>LGD Contact Information:</u>	
Name: _____	Phone Number: _____
Agreed to Attend: _____	
<u>Summary of Landowner Issues:</u>	

<u>Summary of Operator Response to Landowner Issues:</u>	

<u>Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:</u>	

Facility				
Facility ID: 412031	Type: WELL	API Number: 045-18420	Status: PR	Insp. Status: RI
Facility ID: 412032	Type: WELL	API Number: 045-18421	Status: PR	Insp. Status: RI
Facility ID: 412033	Type: WELL	API Number: 045-18422	Status: PR	Insp. Status: RI
Facility ID: 412034	Type: WELL	API Number: 045-18423	Status: PR	Insp. Status: RI
Facility ID: 446544	Type: WELL	API Number: 045-23246	Status: XX	Insp. Status: RI
Facility ID: 446545	Type: WELL	API Number: 045-23247	Status: XX	Insp. Status: RI
Facility ID: 446546	Type: WELL	API Number: 045-23248	Status: XX	Insp. Status: RI
Facility ID: 446547	Type: WELL	API Number: 045-23249	Status: XX	Insp. Status: RI
Facility ID: 446548	Type: WELL	API Number: 045-23250	Status: XX	Insp. Status: RI
Facility ID: 446549	Type: WELL	API Number: 045-23251	Status: XX	Insp. Status: RI
Facility ID: 446550	Type: WELL	API Number: 045-23252	Status: XX	Insp. Status: RI
Facility ID: 446551	Type: WELL	API Number: 045-23253	Status: XX	Insp. Status: RI
Facility ID: 446552	Type: WELL	API Number: 045-23254	Status: XX	Insp. Status: RI
Facility ID: 446553	Type: WELL	API Number: 045-23255	Status: XX	Insp. Status: RI
Facility ID: 446554	Type: WELL	API Number: 045-23256	Status: XX	Insp. Status: RI
Facility ID: 446555	Type: WELL	API Number: 045-23257	Status: XX	Insp. Status: RI
Facility ID: 446556	Type: WELL	API Number: 045-23258	Status: XX	Insp. Status: RI

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Facility ID:	446557	Type:	WELL	API Number:	045-23259	Status:	XX	Insp. Status:	RI
Facility ID:	446558	Type:	WELL	API Number:	045-23260	Status:	XX	Insp. Status:	RI
Facility ID:	446559	Type:	WELL	API Number:	045-23261	Status:	XX	Insp. Status:	RI

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:

Lat _____ Long _____

DWR Receipt Num: _____ Owner Name: _____ GPS : _____

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? Pass

CM _____

CA _____ CA Date _____

Unused or unneeded equipment onsite? _____

CM Site is being prepared for Drilling of XX Wells,

CA _____ CA Date _____

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

CM Four Producing Wells on Location pass this Section

CA _____ CA Date _____

Guy line anchors marked? _____

CM _____

CA _____ CA Date _____

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

1003c. Compacted areas have been cross ripped? _____

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

Cuttings management: _____

1003e. Areas no longer needed for drilling or subsequent operations for have been re-vegetated to 80% of pre-existing? Fail

Production areas have been stabilized? Fail 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 Fail

1003 f. Weeds Noxious weeds? F

Comment: Fill Slope is not Revegetating; Cut Slope has Sloughed causing failure of vegetation. Noxious Weeds establishing on Loc. Refer to Insp Comments and SW Sec for CAs & Dates & photos Attached.

Overall Interim Reclamation Fail

Date Final Reclamation Started: _____	Date Final Reclamation Completed: _____
Final Land Use: <u>RANGELAND</u>	
Reminder: _____	
Comment: <div style="border: 1px solid black; height: 30px; width: 100%;"></div>	
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: <div style="border: 1px solid black; height: 30px; width: 100%;"></div>	
Corrective Action: <div style="border: 1px solid black; height: 30px; width: 80%;"></div>	Date <div style="border: 2px solid red; padding: 2px; display: inline-block;">08/10/2016</div>
Overall Final Reclamation _____	Well Release on Active Location <input type="checkbox"/> Multi-Well Location <input type="checkbox"/>

<u>Storm Water:</u>						
Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Retention Ponds	Pass					
Ditches	Fail					
Seeding	Fail					
Sediment Traps	Pass					
Drains	Pass					
Check Dams	Fail					

Inspector Name: Colby, Lou

S/A/V: **ACTION REQUIRED** Corrective Date: **10/31/2016**

Comment: **Cut Slope has Sloughed from Saturation, water is seeping at base; Riling, Channeling and Run -On of Sediment is occurring. Ditch at SW corner at base of Fill Slope is eroding from velocity of water coming from discharge drain from pad surface.**

CA: **Install appropriate BMPs to prevent saturation of Cut Slope; re-contouring and seeding Slope. Install Bmps to diffuse and slow/ settle SW at discharge point into Ditch at SW Corner of Location. Refer to photos attached. Operator has advised that Cut Slope area is scheduled for SW installation to stabilize Slope.**

Pits: ☒ NO SURFACE INDICATION OF PIT

COGCC Comments

Comment	User	Date
Noxious weeds on Location, Hound's Tongue & Musk Thistle should be controlled by 8/10/2016 as plants are now setting seed. Fill slope area needs to be reseeded, though slope configuration may be reconfigured after Pad amendment; this understood; CA Date is 10/31/2016. Operator has advised that Cut Slope area is slated for SW installation to stabilize Slope; therefore CA Date to re- seed Cut Slope is 10/31/2016. Refer to Photos Attached and SW Section for further detail.	colbyl	07/27/2016

Attached Documents

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

Document Num	Description	URL
680100991	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3916501