

**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:

08/05/2016

Document Number:

682401098

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	438445	306150	Binschus, Chris	<input type="checkbox"/>	

Operator Information:OGCC Operator Number: 47120Name of Operator: KERR MCGEE OIL & GAS ONSHORE LPAddress: P O BOX 173779City: DENVER State: CO Zip: 80217-

- ☐ 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
		COGCCinspections@anadarko.com	
Arthur, Denise		denise.arthur@state.co.us	

Compliance Summary:QtrQtr: SESW Sec: 36 Twp: 4N Range: 66W**Inspector Comment:**

Inspection in response to complaint #200440029 (see complaint section). See COGCC comments section for corrective actions and corrective action dates. Corrective action dates will be shorter than normal because this is a complaint and because undesirable plant species could spread and threaten adjacent lands.

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
285850	WELL	PR	05/20/2010	GW	123-24063	STEPHENS STATE 35-36	RI	<input checked="" type="checkbox"/>
438445	WELL	PR	06/05/2015	OW	123-39974	RISSLER STATE 3N-36HZ	RI	<input checked="" type="checkbox"/>
438446	WELL	PR	06/05/2015	OW	123-39975	RISSLER STATE 30N-36HZ	RI	<input checked="" type="checkbox"/>
438447	WELL	PR	08/01/2015	GW	123-39976	RISSLER STATE 29C-36HZX	RI	<input checked="" type="checkbox"/>
438448	WELL	PR	06/05/2015	OW	123-39977	RISSLER STATE 4N-36HZ	RI	<input checked="" type="checkbox"/>

Equipment:**Location Inventory**

Special Purpose Pits: _____	Drilling Pits: _____	Wells: <u>5</u>	Production Pits: _____
Condensate Tanks: _____	Water Tanks: _____	Separators: _____	Electric Motors: _____
Gas or Diesel Motors: _____	Cavity Pumps: _____	LACT Unit: _____	Pump Jacks: <u>4</u>
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

Inspector Name: Binschus, Chris

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: 438445			
Lease Road Adeq.: _____		Pads: _____	Soil Stockpile: _____
S/AR: _____			
Corrective Action: _____		Date: _____	CDP Num.: _____
Form 2A COAs:			
S/AR: _____	Comment: _____		
CA: _____			Date: _____

Wildlife BMPs:

BMP Type	Comment
Noise mitigation	<p>604c.(2).A. Noise: Pending a safety review after construction of the location, sound mitigation barriers (hay bales) will be placed along the south and west perimeter of the pad location to damper noise during drilling and completions to the nearby building units.</p> <p>Sound surveys that have been conducted on each rig type are utilized to anticipate any additional noise mitigation once a drilling rig is determined.</p>
Drilling/Completion Operations	604c.(2).K. Pit Level Indicators: All tanks (used in lieu of pits) contain pit level monitors with Electronic Drilling Recorders (EDR). KMG uses EDRs with pit level monitor(s) and alarm(s) for production rigs. Basic level gauges are used on tanks utilized for the surface rig.
General Housekeeping	604c.(2).O. Loadlines: All loadlines shall be bullplugged or capped.
Material Handling and Spill Prevention	604c.(2).N. Control of Fire Hazards: KMG and its contractors will employ best management practices during the drilling and production of its wells and facilities and will comply with appropriate COGCC rules concerning safety and fire. KMG will ensure that any material that might be deemed a fire hazard will remain no less than twenty-five (25) feet from the wellhead(s), tanks and separator(s).
Planning	<p>604c.(2).S. Access Roads: KMG will utilize a lease access road from County Road 35 for drilling operations and maintenance equipment. The road will be properly constructed and maintained to accommodate for local emergency vehicle access.</p> <p>Water will be placed on dirt access roads to mitigate dust as needed. If feasible, magnesium chloride will also be used as needed on access roads to further abate dust.</p>
General Housekeeping	604c.(2).P. Removal of Surface Trash: A commercial size trash bin for removing debris will be located on site. This bin will be for use by all parties affiliated with the operation.
Storm Water/Erosion Control	604c.(2).W. Site-Specific Measures: KMG maintains a Stormwater Management Plan that assesses erosion control for every KMG operated location. This location will be added to this plan once construction begins. This site will be inspected every fourteen (14) days during construction activities, every thirty (30) days after construction is completed, and after any major weather event.
Construction	604c.(2).M. Fencing Requirements: The completed wellsites will be surrounded with a fence and gate with adequate lock to restrict access to authorized personnel only. KMG personnel will monitor the wellsites regularly upon completion of the wells. Authorized representatives and/or KMG personnel shall be on-site during drilling and completion operations.
Final Reclamation	604c.(2).T. Well Site Cleared: The wellsite will be cleared of all non-essential equipment within ninety (90) days after all wells associated with the pad have been plugged and abandoned.
Drilling/Completion Operations	604c.(2).L. Drill Stem Tests: No drill stem tests are planned and none will be performed without prior approval from the Director.
Final Reclamation	604c.(2).U. Identification of Plugged and Abandoned Wells: Pursuant to rule 319.a.(5)., once the well has been plugged and abandoned, KMG will identify the location of the wellbore with a permanent monument that will detail the well name and date of plugging.
Traffic control	604c.(2).D. Traffic Plan: If required by the local government, a traffic plan will be coordinated with the local jurisdiction prior to commencement of operations.
Drilling/Completion Operations	604c.(2).I. BOPE Testing for Drilling Operations: Upon initial rig-up, BOPEs will be tested at a minimum of every 30 days.
Planning	604c.(2).V. Development From Existing Well Pads: KMG will locate the four proposed horizontal wells on the existing well pad with location ID #306150 to reduce the amount of surface disturbance associated with this project.
Planning	604c.(2).E. Multiwell Pads: In order to reduce surface impact, this application is for a four-well pad.
Drilling/Completion Operations	604c.(2).H. BOPE: Our rigs at a minimum will have a double ram with blind and pipe ram; and annular preventer.
Drilling/Completion Operations	604c.(2).J. BOPE for Well Servicing Operations: Blowout prevention equipment will be used on any servicing operations associated with this well. Backup stabbing valves will be used during any future servicing operations during reverse circulation. Valves shall be pressure tested before each well servicing operation using low-pressure air and high-pressure fluid.

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Planning	604c.(2).R. Tank Specifications: Two 500 barrel skid-mounted frac tanks will be temporarily placed on-site for use of the pre-spud rig only. One tank will store water and the other will store water based mud.
Drilling/Completion Operations	604c.(2).B. Closed Loop Drilling System: KMG will use a closed loop or "pitless" system for drilling and fluid management and will not construct a reserve pit.
Planning	604c.(2).Q. Guy Line Anchors: Should guy line anchors be left buried for future use, they shall be identified by a bright marker greater than four (4) feet high and no more than one (1) foot east of the guy line anchor.

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: 285850 Type: WELL API Number: 123-24063 Status: PR Insp. Status: RI

Facility ID: 438445 Type: WELL API Number: 123-39974 Status: PR Insp. Status: RI

Facility ID: 438446 Type: WELL API Number: 123-39975 Status: PR Insp. Status: RI

Facility ID: 438447 Type: WELL API Number: 123-39976 Status: PR Insp. Status: RI

Facility ID: 438448 Type: WELL API Number: 123-39977 Status: PR Insp. Status: RI

Complaint

Comment: Complaint #200440029 is due to concerns regarding interim reclamation on approximately 7.5 acres of cropland. See complaint #200440029 for full details.

On August 5, 2016, COGCC performed an interim reclamation inspection and found the interim area is not in compliance with Rule 1003. Interim reclamation area has not been reclaimed that reflects cropland reference areas with total percent plant cover of at least 80% of reference areas. Interim area is dominated by undesirable species- *Cenchrus longispinus*, *Elymus* sp., *Kochia scoparia*, *Salsola* sp., and *Tribulus terrestris*. Very little to no desirable plant species have established affecting the land owners ability to graze the area with livestock.

Refer to attached location photos documenting failed interim reclamation in Document #682401101.

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: DRY LAND

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? _____

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CM _____

CA _____

CA Date _____

1003b. Area no longer in use? **Fail**

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 **Fail**

Non-Cropland

Top soil replaced _____

Recontoured _____

80% Revegetation _____

1003 f. Weeds Noxious weeds? **F**

Comment: **See COGCC comments section for corrective actions and corrective action dates.**

Overall Interim Reclamation **Fail**

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____

Date Final Reclamation Completed: _____

Final Land Use: DRY LAND

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

COGCC Comments

Comment	User	Date
<p>Provide a reclamation plan attached to a Form 4 by CA date of 8/22/16, assigned to Chris Binschus. The reclamation plan should include a minimum of a schedule for reclamation activities, weed management plan, monitoring plan, stormwater management plan during and after reclamation activities, fertilizer/soil amendments (if needed), soil test (if needed), approved landowner seed mixture, seed application method, and mulch type. After approval of the reclamation plan, a new corrective action date to perform interim reclamation work will be set through the Form 4 process. Also, submission of vegetative monitoring data shall be sent to COGCC on a bi-weekly schedule during the active growing season(s).</p> <p>Previous complaint filed on 11/17/15 regarding an undesirable species- Cenchrus longispinus- that dominated a flowline disturbance area and a well pad totaled approximately 12.3 acres of cropland. Reclamation is currently IN PROCESS. Current complaint filed on 8/4/16 regarding failed interim reclamation totals approximately 7.5 acres of cropland. With the combined complaints, approximately 20.0 acres of the 80.0 acres owned by the land owner is currently unavailable to graze due to undesirable plant species establishment from oil and gas disturbance.</p>	binschusc	08/08/2016

Attached Documents

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

Document Num	Description	URL
682401098	INSPECTION APPROVED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3922986
682401101	Location Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3922985