

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:
08/19/2016
Document Number:
685500550
Overall Inspection:
ACTION REQUIRED

FIELD INSPECTION FORM

| | | | | | |
|---------------------|---------------|---------------|----------------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | <u>240747</u> | <u>318163</u> | <u>MONTOYA, JOHN</u> | <input type="checkbox"/> | |

Operator Information:

OGCC Operator Number: 10548
Name of Operator: HRM RESOURCES II LLC
Address: 410 17TH STREET #1600
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 |
|---------------|--------------|-------------------------|-----------------|
| OLSON, JUSTIN | 030-910-4717 | justin.olson@hrmres.com | engineering |
| Pape, Terry | 303-893-6621 | tpape@hrmres.com | All Inspections |

Compliance Summary:

QtrQtr: NWSW Sec: 30 Twp: 2N Range: 62W

| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Action Required | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|-------------------------------|----------|----------------|-----------------|
| 05/15/2009 | 200219325 | PR | PR | ACTION REQUIRED | | | Yes |
| 12/02/2005 | 200081239 | PR | PR | SATISFACTORY | | Pass | No |

Inspector Comment:

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|-----------------|--|
| 102760 | PIT | CL | 09/23/1999 | | - | SHOENEMAN 13-30 | CL <input type="checkbox"/> |
| 240747 | WELL | PR | 12/01/1975 | GW | 123-08535 | SHOENEMAN 13-30 | SI <input checked="" type="checkbox"/> |

Equipment:

Location Inventory

| | | | |
|------------------------------|------------------------|---------------------|-------------------------|
| 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 |
| Access | SATISFACTORY | | | |

| Signs/Marker: | | | | |
|----------------------|------------------------------|---------|-------------------|---------|
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| WELLHEAD | SATISFACTORY | | | |
| TANK LABELS/PLACARDS | SATISFACTORY | | | |
| BATTERY | SATISFACTORY | | | |

Emergency Contact Number (S/AR): SATISFACTORY Corrective Date: _____

Comment: _____

Corrective Action: _____

| Good Housekeeping: | | | | |
|---------------------------|------------------------------|-----------------------------|---|------------|
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| WEEDS | ACTION REQUIRED | CONTROL WEEDS | "Comply with Rule 603.f using the Rule 603.f guidance document for further details. " | 09/16/2016 |
| UNUSED EQUIPMENT | SATISFACTORY | POLISH ROD UNUSED EQUIPMENT | "Comply with Rule 603.f using the Rule 603.f guidance document for further details. " | 09/16/2016 |

| Spills: | | | | |
|----------------|----------|----------|---|------------|
| Type | Area | Volume | Corrective action | CA Date |
| Crude Oil | WELLHEAD | <= 1 bbl | "Comply with Rule 603.f using the Rule 603.f guidance document for further details. " | 09/16/2016 |

Multiple Spills and Releases?

| Fencing/: | | | | |
|------------------|------------------------------|-------------------------------|-------------------|---------|
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| TANK BATTERY | SATISFACTORY | BARBWIRE FENCE AROUND BATTERY | | |

| Tanks and Berms: | | | | |
|-----------------------------------|--------------|----------------|------------------------|-----------------------|
| <input type="checkbox"/> New Tank | | Tank ID: _____ | | |
| Contents | # | Capacity | Type | SE GPS |
| CRUDE OIL | 1 | 300 BBLS | STEEL AST | 40.064220,-104.225390 |
| S/AR | SATISFACTORY | | Comment: _____ | |
| Corrective Action: | | | Corrective Date: _____ | |

Paint

| | |
|-----------|----------|
| Condition | Adequate |
|-----------|----------|

Other (Content) _____

Other (Capacity) _____

Other (Type) _____

| Berms | | | | |
|--------------|----------|---------------------|---------------------|-------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| | | | | |

Inspector Name: MONTOYA, JOHN

| | | | | | |
|-------------------|----------|-----------------|----------------|----------|-----------------|
| Earth | Adequate | Walls Sufficent | Base Sufficent | Adequate | |
| Corrective Action | | | | | Corrective Date |
| Comment | | | | | |

Tanks and Berms: New Tank Tank ID: _____

| | | | | |
|--------------------|--------------|----------|----------------|------------------|
| Contents | # | Capacity | Type | SE GPS |
| PRODUCED WATER | 1 | 100 BBLS | PBV FIBERGLASS | , |
| S/AR | SATISFACTORY | | Comment: | |
| Corrective Action: | | | | Corrective Date: |

Paint

| | |
|-----------|----------|
| Condition | Adequate |
|-----------|----------|

Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

| | | | | |
|-------------------|----------|---------------------|---------------------|-----------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Earth | Adequate | Walls Sufficent | Base Sufficent | Adequate |
| Corrective Action | | | | Corrective Date |
| Comment | | | | |

Venting:

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

Flaring:

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

Predrill

Location ID: 240747

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: 240747 Type: WELL API Number: 123-08535 Status: PR Insp. Status: SI

Idle Well

Purpose: Shut In Temporarily Abandoned Reminder: _____

S/A/V: _____ CA Date: _____

CA: _____

Comment: _____

Environmental

Spills/Releases:

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

Comment: _____

Date: _____

Corrective Action: _____
 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: _____
 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? _____ 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: _____
 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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Gravel | Pass | Drains | Pass | | | |
| Berms | Pass | | | | | |

S/A/V: SATISFACTORY Corrective Date: _____
 Comment: _____
 CA: _____

Pits: NO SURFACE INDICATION OF PIT

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

| Document Num | Description | URL |
|--------------|--------------------------|---|
| 685500550 | INSPECTION APPROVED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3933376 |
| 685500551 | WELL SIGN | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3933323 |
| 685500552 | SOILED DIRT WELLHEAD | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3933324 |
| 685500553 | SOILED DIRT MOTOR MOUNTS | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3933325 |
| 685500554 | UNUSED EQUIPMENT | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3933326 |
| 685500555 | CONTROL WEEDS | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3933327 |
| 685500556 | CONTROL WEEDS | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3933328 |

| | | |
|-----------|---------------------------------|---|
| 685500557 | CONTROL WEEDS AROUND BATTERY | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3933329 |
|-----------|---------------------------------|---|