

**FORM
INSP**Rev
X/15**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:

11/03/2016

Submitted Date:

11/07/2016

Document Number:

680401073**FIELD INSPECTION FORM**

Loc ID 311866 Inspector Name: BROWNING, CHUCK On-Site Inspection ☐ 2A Doc Num: _____

Operator Information:OGCC Operator Number: 56680Name of Operator: MERRION OIL & GAS CORPAddress: 610 REILLY AVENUECity: FARMINGTON State: NM Zip: 87401**Status Summary:**☐ THIS IS A FOLLOW UP INSPECTION☒ FOLLOW UP INSPECTION REQUIRED☐ NO FOLLOW UP INSPECTION REQUIRED**Findings:**12 Number of Comments4 Number of Corrective Actions☒ Corrective Action Response Requested**Contact Information:**

| Contact Name | Phone | Email | Comment |
|-------------------|----------------|----------------------------|-----------------|
| Thompson, Philana | (505) 324-5300 | pthompson@merrion.bz | |
| Browning, Chuck | 970-433-4139 | chuck.browning@state.co.us | Field Inspector |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|--------------------------|-------------|
| 232862 | WELL | PR | 03/19/1993 | GW | 113-06051 | COCKLEBUR DRAW UNIT 1 | SI |

General Comment:

| Location | | | |
|--|--|--------|-----------------|
| Lease Road: | | | |
| Type | Access | | |
| comment: | | | |
| Corrective Action | L | Date: | |
| Type | Main | | |
| comment: | BLM surface | | |
| Corrective Action | L | Date: | |
| Overall Good: <input checked="" type="checkbox"/> | | | |
| Signs/Marker: | | | |
| Type | WELLHEAD | | |
| Comment: | Signs located next to separators. Should be next to wellhead. | | |
| Corrective Action: | | Date: | |
| Emergency Contact Number: | | | |
| Comment: | | | |
| Corrective Action: | | | Date: _____ |
| Good Housekeeping: | | | |
| Type | TRASH | | |
| Comment: | Sheet metal, damaged fence panels, various junk pipe. trash and debris. See attached photos. | | |
| Corrective Action: | Comply with Rule 603.f using the Rule 603.f guidance document for further details. | Date: | 12/19/2016 |
| Type | STORAGE OF SUPL | | |
| Comment: | Full chemical(?) drum with no secondary containment. | | |
| Corrective Action: | Provide secondary containment for stored chemicals. See rule 1002.f.(2).B. | Date: | 12/19/2016 |
| Overall Good: <input type="checkbox"/> | | | |
| Spills: | | | |
| Type | Area | Volume | |
| In Containment: No | | | |
| Comment: | | | |
| <input type="checkbox"/> Multiple Spills and Releases? | | | |
| Fencing/: | | | |
| Type | SEPARATOR | | |
| Comment: | Pipe barriers around separators. | | |
| Corrective Action: | | Date: | |
| Type | WELLHEAD | | |
| Comment: | Panel fence at wellhead. | | |
| Corrective Action: | | Date: | |
| Equipment: | | | |
| Type: Dehydrator | # 1 | | corrective date |
| Comment: | | | |

| | | | |
|-----------------------------------|-----|-------|--|
| Corrective Action: | | Date: | |
| Type: Gas Meter Run | # 3 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Horizontal Heated Separator | # 2 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Tanks and Berms:

| | | | | | |
|--------------------|-------------------------------|-----------|-----------|----------|-----------------------|
| Contents | # | Capacity | Type | Tanak ID | SE GPS |
| PRODUCED WATER | 1 | <100 BBLS | PBV STEEL | | 37.968643,-108.521893 |
| Comment: | Blowdown tank for dehydrator. | | | | |
| Corrective Action: | | | | Date: | |

Paint

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

Berms

| | | | | |
|--------------------|--|---------------------|---------------------|------------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Earth | Inadequate | | | Inadequate |
| Comment: | No berms around tank. See attached photos. | | | |
| Corrective Action: | Repair or install berms or other secondary containment devices per Rule 906.d.(1). | | | Date: 12/19/2016 |

| | | | | | |
|--------------------|--|----------|-----------|----------|-----------------------|
| Contents | # | Capacity | Type | Tanak ID | SE GPS |
| PRODUCED WATER | 2 | 500 BBLS | STEEL AST | | 37.968219,-108.521449 |
| Comment: | 1-500 bbl & 1-400 bbl tanks inside common berms. | | | | |
| Corrective Action: | | | | Date: | |

Paint

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

Berms

| | | | | |
|--------------------|--|---------------------|---------------------|------------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Earth | Inadequate | Walls Sufficient | Base Sufficient | Inadequate |
| Comment: | Inadequate berms around tank(s) along south side of battery. | | | |
| Corrective Action: | Repair or install berms or other secondary containment devices per Rule 906.d.(1). | | | Date: 12/19/2016 |

Venting:

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

| | | | |
|--------------------|--|-------|--|
| Comment: | | | |
| Corrective Action: | | Date: | |
| Flaring: | | | |
| Type | | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Inspected FacilitiesFacility ID: 232862 Type: WELL API Number: 113-06051 Status: PR Insp. Status: SI**Idle Well**Purpose: ☒ Shut In ☐ Temporarily Abandoned

Reminder: _____

Comment: Well shut in 1/2016. No MIT on record. MIT due by 1/2018.

Corrective Action: _____

Date: _____

Reclamation - Storm Water - Pit**Interim Reclamation:**

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: _____

Comment: _____

1002 SITE PREPARATION AND STABILIZATION

1002a. FENCING _____

Comment _____

Corrective Action _____

Date _____

1002b. SOIL REMOVAL AND
SEGREGATION _____

Comment _____

Corrective Action _____

Date _____

1002c. PROTECTION OF SOILS _____

Comment _____

Corrective Action _____

Date _____

1002E. SURFACE DISTURBANCE MINIMIZATION _____

Comment _____

Corrective Action _____

Date _____

1003a. Waste and Debris removed? _____

Comment _____

Corrective Action _____

Date _____

Unused or unneeded equipment onsite? _____

Comment _____

Corrective Action _____

Date _____

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

Comment _____

Corrective Action _____

Date _____

Guy line anchors marked? Pass

Comment _____

Corrective Action _____

Date _____

1003b. Area no longer in use? _____ Production areas stabilized ? Pass1003c. Compacted areas have been cross ripped? Pass

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? Pass 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 _____

1003e. INTERIM VEGETATION TRANSECT

TRANSECT RESULTS OF DISTURBED AREA% _____

TRANSECT RESULTS OF REFERENCE AREA% _____

TOTAL % OF DESIRABLE VEGETATION COVER _____

VEGETATIVE COVER _____

1003 f. Weeds Noxious weeds? P

Comment _____

Corrective Action _____ Date _____

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 _____

1004.d. FINAL VEGETATION TRANSECT

TRANSECT RESULTS OF DISTURBED AREA% _____

TRANSECT RESULTS OF REFERENCE AREA% _____

TOTAL % OF DESIRABLE VEGETATION COVER _____

VEGETATIVE COVER _____

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 | Gravel | Pass | | | |

Comment: Corrective Action: Date: **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 |
|--------------|-----------------------------|---|
| 680401073 | INSPECTION APPROVED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4001097 |
| 680401080 | 11/3/2016 Inspection photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3995997 |