

**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:

03/10/2017

Submitted Date:

03/13/2017

Document Number:

685302369**FIELD INSPECTION FORM**Loc ID 313547 Inspector Name: St John, William (Cal) On-Site Inspection ☐ 2A Doc Num: _____**Status Summary:**

- ☒ THIS IS A FOLLOW UP INSPECTION
- ☒ FOLLOW UP INSPECTION REQUIRED
- ☐ NO FOLLOW UP INSPECTION REQUIRED

Findings:

21 Number of Comments

14 Number of Corrective Actions

- ☒ Corrective Action Response Requested

Operator Information:OGCC Operator Number: 45745Name of Operator: KC RESOURCES INCAddress: 110 MIDLAND AVENUECity: BASALT State: CO Zip: 81621**Contact Information:**

Contact Name	Phone	Email	Comment
Rabinowitz, Daniel	970-385-1363	drabinow@blm.gov	Durango
Hughes, Jim		jimo.hughes@state.co.us	
Engineering		dnr_cogccengineering@state.co.us	
Labowskie, Steve		steve.labowskie@state.co.us	COGCC
Howe, James	970-927-2764	jhowe@crystalriveroil.com	SW Inspections
Harris, Christie	970-927-2764	cmarie@crystalriveroil.com	SW Insp Reports
Garrigues, Robert		rgarrigues@blm.gov	Tres Rios
Telecky, Barbara		btelecky@blm.gov	Durango

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
224429	WELL	SI	12/17/2014	OW	083-06494	MAIL TRAIL MESA F23 - 26G	SI

General Comment:

See link at end of report for path to downloadable pictures. Inspection report contains additional new corrective actions and comment.
See Good Housekeeping, Spill, and Tanks and Berms sections for additional details.

LocationOverall Good: ☐

Signs/Marker:			
Type	TANK LABELS/PLACARDS		
Comment:	Corrective action not completed. Corrective action date remains the same to document days of noncompliance.		
Corrective Action:	Install sign to comply with Rule 210.d		Date: 02/06/2017
Type	WELLHEAD		
Comment:	Corrective action not completed. Corrective action date remains the same to document days of noncompliance.		
Corrective Action:	Install sign to comply with Rule 210.b		Date: 02/06/2017

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Good Housekeeping:

Type	DEBRIS		
Comment:	50' piece of steel cable left on ground at S end of location outside fencing behind tank battery.		
Corrective Action:	Remove debris to comply with Rule 603.f using the Rule 603.f guidance document for further details.		Date: 04/13/2017
Type	OTHER		
Comment:	Dumped concrete pile located at N end of location.		
Corrective Action:	Remove debris to comply with Rule 603.f using the Rule 603.f guidance document for further details.		Date: 04/13/2017
Type	DEBRIS		
Comment:	NE corner of location has pile of concrete pieces, plastic 55 gallon drum, and black poly line left at location. Corrective action not completed. Corrective action date remains the same to document days of noncompliance.		
Corrective Action:	Remove debris to comply with Rule 603.f using the Rule 603.f guidance document for further details.		Date: 01/06/2017
Type	UNUSED EQUIPMENT		
Comment:	Pump jack horse head, wellhead piping, drive belt, fittings, and other production related parts and pieces lying at wellhead and around pump jack. Corrective action not completed. Corrective action date remains the same to document days of noncompliance.		
Corrective Action:	Remove or use equipment to comply with Rule 603.f using the Rule 603.f guidance document for additional details.		Date: 01/06/2017
Type	OTHER		
Comment:	Stained soil around rear of Pump Jack from motor leaking Lube oil. Corrective action not completed. Corrective action date remains the same to document days of noncompliance.		
Corrective Action:	Clean up and remediate stained soil to comply with Rule 906.a.		Date: 01/06/2017

Overall Good: ☐

Spills:			
Type	Area	Volume	
Crude Oil	Truck Loadout	<= 1 bbl	

Comment:	"CORRECTIVE ACTION REQUIRED BY 12/06/16 INSPECTION DOC# 685301900 HAVE NOT BEEN COMPLETED, conditions at loadout have become worse since previous inspection. Oil saturated impacted material below and around drip pans has increased (see inspection photos), free oil observed on top of impacted soils, drip pans are full and appear to have overflowed recently, no wildlife protection screening on drip pans. Corrective action date remains the same to document days of noncompliance. Precipitation mixed with crude oil spilled inside tank berms. Impacted/oily material and fluids need to be removed from berms immediately and disposed/remediated in approved manner."	
Corrective Action:	Clean up and remediate stained soil and gravel to comply with Rule 906.a.	Date: 01/06/2017

In Containment: No

Comment:

☐ Multiple Spills and Releases?

Equipment:		corrective date
Type: Deadman # & Marked	#	
Comment:	Not all deadmen marked. Corrective action not completed. Corrective action date remains the same to document days of noncompliance.	
Corrective Action:	Locate and mark all deadmen to comply with Rule 1003.a.	Date: 12/23/2016

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	1	400 BBLS	STEEL AST		37.156560,-109.012530
Comment:					
Corrective Action:					Date:

Paint

Condition	
Other (Content)	
Other (Capacity)	
Other (Type)	

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate	Walls Insufficient	Base Insufficient	Inadequate
Comment:	Weeds, grass and sage growing inside bermed containment area. Corrective action not completed. Corrective action date remains the same to document days of noncompliance.			
Corrective Action:	Maintain berms to comply with Rule 605.a.(4).			Date: 01/06/2017

Contents	#	Capacity	Type	Tank ID	SE GPS
CRUDE OIL	3	400 BBLS	STEEL AST		37.156560,-109.012530
Comment:	IR pictures taken of tanks shows there are fluids inside the tanks. This may be attributing to the overflow issue at the loadout as the valves appear to be leaking.				
Corrective Action:	Securely fasten all valves, pipes, and fittings to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 605.d.				Date: 03/15/2017

Paint

Condition	
Other (Content)	
Other (Capacity)	
Other (Type)	

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate	Walls Insufficient	Base Insufficient	Inadequate
Comment:	Weeds, grass and sage growing inside bermed containment area. Corrective action not completed. Corrective action date remains the same to document days of noncompliance.			
Corrective Action:	Maintain berms to comply with Rule 605.a.(4).			Date: 01/06/2017

Venting:

Yes/No			
Comment:			
Corrective Action:		Date:	

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Inspected FacilitiesFacility ID: 224429 Type: WELL API Number: 083-06494 Status: SI Insp. Status: SI**Idle Well**Purpose: ☒ Shut In ☐ Temporarily Abandoned

Reminder: _____

Comment: Well is currently SI but appears to be TA based on disconnected pumping unit and production equipment.. Production data reflects that well has been SI since August 2014 with no reporting since November 2014. Well file does not contain current MIT. Successful MIT was required by Aug 2016 per rule 326. Corrective action not completed. Corrective action date remains the same to document days of noncompliance.

Corrective Action: Contact COGCC engineer.

Date: 12/19/2016

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

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
		Gravel	Pass	Self Inspection	Fail	
Compaction	Fail	Compaction	Pass	Material Handling And Spill Prevention	Pass	

Comment: Erosion channels on the fill slope are carrying water and sediment into the tank containment and onto location. Area N of wellhead has ruts 8" - 14" deep where water is pooling on location. Corrective action not completed. Corrective action date remains the same to document days of noncompliance.

Corrective Action: Repair or install required BMPs to comply with Rule 1002.f. Refer to the 1002.f guidance document for further details.

Date: 01/06/2017

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
685302406	Pump jack horsehead and parts.	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4097258
685302407	Stained soil at motor.	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4097259
685302408	Concrete and black poly pipe on location.	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4097260
685302409	Weeds and sediment flow into containment.	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4097261
685302410	Stained soil at loadouts.	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4097262
685302411	Erosion Channel in cut slope.	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4097263
685302412	IR tank picture 1.	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4097264
685302413	IR tank picture 2.	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4097265