

**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:

03/14/2017

Submitted Date:

03/20/2017

Document Number:

682401882

FIELD INSPECTION FORM

Loc ID 438722 Inspector Name: Binschus, Chris On-Site Inspection 2A Doc Num: _____

Status Summary:

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

Operator Information:

OGCC Operator Number: 10633
Name of Operator: CRESTONE PEAK RESOURCES OPERATING LLC
Address: 1801 CALIFORNIA STREET #2500
City: DENVER State: CO Zip: 80202

Findings:

- 11 Number of Comments
- 4 Number of Corrective Actions
- Corrective Action Response Requested

Contact Information:

Contact Name	Phone	Email	Comment
		cogcc.inspections@crestonepr.com	ALL INSPECTIONS

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
438718	WELL	XX	08/31/2014	LO	123-40100	Kiyota 4H-35H-O367	RI
438719	WELL	XX	08/31/2014	LO	123-40101	Kiyota 4D-35H-O367	RI
438720	WELL	XX	08/31/2014	LO	123-40102	Kiyota 4I-35H-O367	RI
438721	WELL	XX	08/31/2014	LO	123-40103	Kiyota 4G-35H-O367	RI
438723	WELL	XX	08/31/2014	LO	123-40104	Kiyota 4B-35H-O367	RI
438724	WELL	XX	08/31/2014	LO	123-40105	Kiyota 4J-35H-O367	RI
438725	WELL	XX	08/31/2014	LO	123-40106	Kiyota 4F-35H-O367	RI
438726	WELL	XX	08/31/2014	LO	123-40107	Kiyota 4C-35H-O367	RI
438854	WELL	XX	09/12/2014	LO	123-40162	Kiyota 4E-35H-O367	RI
438855	WELL	XX	09/12/2014	LO	123-40163	Kiyota 4A-35H-O367	RI
438856	WELL	XX	09/12/2014	LO	123-40164	Kiyota 4L-35H-O367	RI
438857	WELL	XX	09/12/2014	LO	123-40165	Kiyota 4K-35H-O367	RI

General Comment:

This is a reclamation and stormwater inspection in response to a variance request to delay interim reclamation. The Operator is in the process of submitting a variance request on this location that has already been constructed and drilling operations have been delayed beyond 12 months. Please follow the NTO guidance for "Interim Reclamation Procedures for Delayed Operations" regarding reclamation and bonding financial assurances. Since this location will remain open and compacted that increases the potential for stormwater erosion. In addition, an approximate 4.0 acre area along the northwest location area is not stabilized, increasing the potential for dust and erosion. See the Location Construction and Interim Reclamation section for more details regarding the 4.0 acre area.

Location

Overall Good:

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Good Housekeeping:

Type

WEEDS

Comment:

Russian thistle has accumulated along the perimeter of the stormwater control area and along portions of the perimeter fence.

Corrective Action:

Remove weed debris as this constitutes as waste material and needs to be removed per Rule 603.f., using the Rule 603.f guidance document for further details.

Date: 04/17/2017

Overall Good:

Spills:

Type

Area

Volume

In Containment: No

Comment:

Multiple Spills and Releases?

Venting:

Yes/No

Comment:

Corrective Action:

Date:

Flaring:

Type

Comment:

Corrective Action:

Date:

Location Construction

Location ID: 438722 CDP: _____

Comment:

Corrective Action:

Date: _____

Form 2A COAs:

Comment: Form 2A Document #400610770 was permitted for 16.00 acres of disturbance during construction. Field collected data on March 14, 2017 using a Trimble handheld GPS would indicate construction disturbance totaled 18.93 acres. It appears the 4.0 acre temporary completions area along the northwest location area may not have been included in the total disturbance, even though the area was referenced in the Operator Comments and Submittal section on the Form 2A. It would appear this 4.0 acre area is for oil and gas operations (i.e., completion operations). It was disturbed during the same time as the initial construction and stormwater BMPs have been installed around the perimeter of the area. Please contact the Oil and Gas Location Assessment staff to ensure this 4.0 acre area is included as the total disturbance on the Form 2A.

Corrective Action:

Date: _____

Wildlife BMPs:

Comment:

Corrective Action:

Date: _____

Comment:

Corrective Action:

Date: _____

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:

Inspected Facilities

Facility ID: <u>438718</u>	Type: <u>WELL</u>	API Number: <u>123-40100</u>	Status: <u>XX</u>	Insp. Status: <u>RI</u>
Facility ID: <u>438719</u>	Type: <u>WELL</u>	API Number: <u>123-40101</u>	Status: <u>XX</u>	Insp. Status: <u>RI</u>
Facility ID: <u>438720</u>	Type: <u>WELL</u>	API Number: <u>123-40102</u>	Status: <u>XX</u>	Insp. Status: <u>RI</u>
Facility ID: <u>438721</u>	Type: <u>WELL</u>	API Number: <u>123-40103</u>	Status: <u>XX</u>	Insp. Status: <u>RI</u>
Facility ID: <u>438723</u>	Type: <u>WELL</u>	API Number: <u>123-40104</u>	Status: <u>XX</u>	Insp. Status: <u>RI</u>
Facility ID: <u>438724</u>	Type: <u>WELL</u>	API Number: <u>123-40105</u>	Status: <u>XX</u>	Insp. Status: <u>RI</u>
Facility ID: <u>438725</u>	Type: <u>WELL</u>	API Number: <u>123-40106</u>	Status: <u>XX</u>	Insp. Status: <u>RI</u>
Facility ID: <u>438726</u>	Type: <u>WELL</u>	API Number: <u>123-40107</u>	Status: <u>XX</u>	Insp. Status: <u>RI</u>
Facility ID: <u>438854</u>	Type: <u>WELL</u>	API Number: <u>123-40162</u>	Status: <u>XX</u>	Insp. Status: <u>RI</u>
Facility ID: <u>438855</u>	Type: <u>WELL</u>	API Number: <u>123-40163</u>	Status: <u>XX</u>	Insp. Status: <u>RI</u>
Facility ID: <u>438856</u>	Type: <u>WELL</u>	API Number: <u>123-40164</u>	Status: <u>XX</u>	Insp. Status: <u>RI</u>
Facility ID: <u>438857</u>	Type: <u>WELL</u>	API Number: <u>123-40165</u>	Status: <u>XX</u>	Insp. Status: <u>RI</u>

Reclamation - Storm Water - Pit

Interim Reclamation:

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

Land Use: IMPROVED PASTURE

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 _____ Fail _____

Comment Vegetative growth consists of puncture vine, Russian thistle and cheatgrass with large areas of bare soil.

Corrective Action Comply with Rule 1002 to stabilize and protect the topsoil from degradation due to wind and water erosion, and to prevent weed establishment.

Date **05/01/2017**

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? _____

Comment _____

Corrective Action _____

Date _____

Guy line anchors marked? _____

Comment _____

Corrective Action _____

Date _____

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

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 _____

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? _____

Comment An approximate 4.0 acre area has been disturbed along the northwest location area that will be used as a completions area. The subject area has not been compacted, covered, paved, or otherwise stabilized to minimize dust and erosion to the extent practicable. In addition, undesirable, weedy annuals were observed throughout this area. Diffuse knapweed (Centaurea diffusa), a List B Colorado noxious weed, was observed in small amounts along the western location perimeter. Musk thistle (Carduus nutans), a List B Colorado noxious weed, was observed in small patches along the north and east location perimeter. It appears the thistle was mowed. Continue to monitor and manage noxious weeds using BMPs.

Corrective Action Comply with Rule 1003 to stabilize the approximately 4.0 acres along the northwest location area to minimize dust and erosion.

Date 04/17/2017

Overall Interim Reclamation

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____ Date Final Reclamation Completed: _____

Final Land Use: IMPROVED PASTURE

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
Ditches	Pass					
Berms	Pass					
Tracking Pad	Pass					
Sediment Traps	Fail					Outlet protection
Waddles	Fail					Outlet protection on sediment trap

Comment:

Corrective Action:

Date: 04/17/2017

Pits: NO SURFACE INDICATION OF PIT

COGCC Comments

Comment	User	Date
Use the Field Inspection Report Resolution (FIRR) form to respond to corrective actions.	binschusc	03/20/2017
Refer to attached inspection photos in Document #682401884.	binschusc	03/20/2017

Attached Documents

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

Document Num	Description	URL
401237205	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4102467
682401884	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4102392