

**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:

08/13/2017

Submitted Date:

08/17/2017

Document Number:

688300011

FIELD INSPECTION FORM

Loc ID 449920 Inspector Name: Sherman, Susan 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: 10625
Name of Operator: HIGHLANDS NATURAL RESOURCES CORPORATION
Address: 2401 EAST 2ND AVENUE SUITE 150
City: DENVER State: CO Zip: 80206

Findings:

- 15 Number of Comments
- 0 Number of Corrective Actions
- Corrective Action Response Requested

Contact Information:

| Contact Name | Phone | Email | Comment |
|-----------------|----------------|--------------------------------|------------------------------|
| Price, Robert | (918) 361-7000 | robert.price@highlandsnr.com | Designated Agent/President |
| Mendell, Paul | (303) 495-4138 | paul.mendell@highlandsnr.com | Designated Agent/Geologist |
| Anderson, Eric | (303) 798-0356 | eric.anderson@highlandsnr.com | Principal Agent/Land Manager |
| Miller, Stephen | (361) 230-9375 | stephen.miller@highlandsnr.com | Designated Agent/Engineer |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|---------------------------|-------------|
| 449921 | WELL | DG | 08/09/2017 | | 005-07267 | WILDHORSE 5-64 15-16-1BHZ | DG |
| 449923 | WELL | DG | 08/09/2017 | | 005-07269 | POWELL 5-64 15-16-1CHZ | DG |

General Comment:

Location

Overall Good:

Signs/Marker:

| | | | |
|--------------------|---|-------|--|
| Type | WELLHEAD | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | Mud tanks need NFPA and quantity labels (have contents labels), as discussed with operator. | | |
| Corrective Action: | | Date: | |
| Type | DRILLING/RECOMP | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Good Housekeeping:

| | | | |
|--------------------|---|-------|--|
| Type | WEEDS | | |
| Comment: | Control weeds on access road, as discussed with operator. | | |
| Corrective Action: | | Date: | |

Overall Good:

Spills:

| Type | Area | Volume | | |
|------|------|--------|--|--|
| | | | | |

In Containment: No

Comment:

Multiple Spills and Releases?

Fencing/:

| | | | |
|--------------------|-------------|-------|--|
| Type | LOCATION | | |
| Comment: | barbed wire | | |
| Corrective Action: | | Date: | |

Venting:

| | | | |
|--------------------|--|-------|--|
| Yes/No | | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Flaring:

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

Location Construction

Location ID: 449921 CDP: _____

Comment: _____

Corrective Action: _____

Date: _____

Form 2A COAs:

Comment: No problems seen. Rig is on well 005-06685, Husky et al-State 2-16, for re-plugging. Discussed lighting and noise issues at safety meeting.

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: 449921 Type: WELL API Number: 005-07267 Status: DG Insp. Status: DG

Facility ID: 449923 Type: WELL API Number: 005-07269 Status: DG Insp. Status: DG

Well Drilling

Rig: Rig Name: True Drilling #33 Pusher/Rig Manager: Domingo Mata
 Permit Posted: Yes Access Sign: Yes

Well Control Equipment:

Pipe Ram: YES Blind Ram: YES Hydril Type: YES
 Pressure Test BOP: Pass Test Pressure PSI: _____ Safety Plan: YES

Drill Fluids Management:

Lined Pit: NO Unlined Pit: NO Closed Loop: YES Semi-Closed Loop: NO
 Multi-Well: YES Disposal Location: commercial

Comment: Wildhorse well surface was drilled to 2185', cased with 9 5/8 in steel and cemented to surface on 8/13/2017. Rig was skidded over the the Powell, surface drilled to 2190', cased with 9 5/8 in steel and cemented to surface on 8/15/2017. BOP information above is for the Powell well.

Corrective Action: _____ Date: _____

Cement

Cement Contractor

Contractor Name: Halliburton Contractor Phone: _____

Surface Casing

Cement Volume (sx): 100/234 Circulate to Surface: YES
 Cement Fall Back: _____ Top Job, 1" Volume: _____

Intermediate Casing

Cement Volume (sxs): _____ Good Return During Job: _____

Production Casing

Cement Volume (sx): _____ Good Return During Job: _____

Plugging Operations

Depth Plugs(feet range): _____ Cement Volume (sx): _____

Good Return During Job: _____ Cement Type: _____

Comment: Lead cement was 12 ppg and tail was 13.5 ppg for both wells. Cleanup was in cellar for both wells (cellar has conductor and cemented basement.) Red dye spacer was used to indicate cement to surface.

Corrective Action: _____ Date: _____

Reclamation - Storm Water - Pit

Interim Reclamation:

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

Land Use: RANGELAND

Comment: pasture on State Land Board Land on Lowry Bombing Range, closest houses ~6000' from well

1002 SITE PREPARATION AND STABILIZATION

1002a. FENCING _____ Pass _____

Comment barbed wire

Corrective Action _____ Date _____

1002b. SOIL REMOVAL AND SEGREGATION _____ Pass _____

Comment _____

Corrective Action _____ Date _____

1002c. PROTECTION OF SOILS _____ Pass _____

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? _____

Comment _____

Corrective Action _____ Date _____

Guy line anchors marked? _____

Comment _____

Corrective Action _____ Date _____

1003b. Area no longer in use? _____ 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 _____

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

Corrective Action

Date _____

Overall Interim Reclamation

Final Reclamation/ Abandoned Location:

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

Final Land Use: RANGELAND _____

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 |
|------------------|-----------------|-------------------------|-----------------------|--|--------------------------|-----------------|
| Culverts | Pass | Seeding | Pass | Vehicle Tracking | Pass | |
| Gravel | Pass | Gravel | Pass | Material Handling And Spill Prevention | Pass | |
| Blankets | Pass | | | | | liner under rig |
| Mulching | Pass | Ditches | Pass | Spill Response | In Process | |
| Retention Ponds | Pass | Mulching | Pass | | | |
| Rip Rap | Pass | | | | | |
| Compaction | Pass | Compaction | Pass | Self Inspection | Pass | |
| Berms | Pass | Check Dams | In Process | Covering Materials | Pass | |

Comment: [Top soil pile is stored on west and east sides of location. Some check dams are full of sediment and are scheduled to be cleaned per operator \(See also COGCC Inspection #682402599\). Spill kit is being replaced-temporary materials are on location.](#)

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 |
|--------------|--|---|
| 688300016 | Highlands Wildhorse and Powell Suraface CMTs | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4230984 |