

**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:

01/04/2018

Submitted Date:

01/04/2018

Document Number:

678800474**FIELD INSPECTION FORM**Loc ID 443507 Inspector Name: LEONARD, MIKE On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**OGCC Operator Number: 10542Name of Operator: CUB CREEK ENERGYAddress: 200 PLAZA DRIVE SUITE 100City: HIGHLANDS State: CO Zip: 80129**Status Summary:**☐ THIS IS A FOLLOW UP INSPECTION☒ FOLLOW UP INSPECTION REQUIRED☐ NO FOLLOW UP INSPECTION REQUIRED**Findings:**30 Number of Comments14 Number of Corrective Actions☒ Corrective Action Response Requested**Contact Information:**

Contact Name	Phone	Email	Comment
		dnr_cogccengineering@state.co.us	
Burn, Diana		diana.burn@state.co.us	
		dnr_cogccenforcement@state.co.us	
Baily, Scott		scott.baily@cub-creek.com	
Canfield, Chris		chris.canfield@state.co.us	
Noto, John		john.noto@state.co.us	
Gardner, Bob		bob.gardner@cub-creek.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
443498	WELL	PR	11/01/2016	LO	123-42254	VAIL 5	PR
443499	WELL	PR	11/01/2016	LO	123-42255	VAIL 4	PR
443500	WELL	PR	11/01/2016	LO	123-42256	VAIL 1	PR
443502	WELL	PR	11/01/2016	LO	123-42257	VAIL 2	PR
443503	WELL	PR	11/01/2016	LO	123-42258	VAIL 6	PR
443504	WELL	PR	11/01/2016	LO	123-42259	VAIL 9	PR
443505	WELL	PR	11/01/2016	LO	123-42260	VAIL 8	PR
443506	WELL	PR	11/01/2016	LO	123-42261	VAIL 7	PR
443507	LOCATION	AC			-	Vail Pad	AO
443508	WELL	PR	11/01/2016	LO	123-42262	VAIL 3	PR

General Comment:

Inspection performed in response to public complaint COGCC Document # 200445008.

Location			
Lease Road:			
Type	Main		
comment:	Access off of Hwy 60		
Corrective Action	L		Date:
Overall Good: <input type="checkbox"/>			
Signs/Marker:			
Type	CONTAINERS		
Comment:	No Label on methanol container at meter runs. See attached photo #34		
Corrective Action:	Install sign to comply with Rule 210.d.		Date: 02/04/2018
Type	WELLHEAD		
Comment:	No wellhead signs on any of the 9 wells as required by Rule 210 b. " Wells. Within sixty (60) days after the completion of a well, a permanent sign shall be located at the wellhead which shall identify the well and provide its legal location, including the quarter quarter section. When no associated battery is present, the additional information required under Rule 210.b.(2) shall be required on the sign. See attached Photo #8		
Corrective Action:	Install sign to comply with Rule 210.b.		Date: 03/04/2018
Type	BATTERY		
Comment:	Adequate		
Corrective Action:			Date:
Type	TANK LABELS/PLACARDS		
Comment:	Buried sump has capacity labeling but has no content label or NFPA label. See attached photo		
Corrective Action:	Install sign to comply with Rule 210.d.		Date: 03/04/2018
Emergency Contact Number:			
Comment:	Adequate		
Corrective Action:			Date: _____
Good Housekeeping:			
Type	DEBRIS		
Comment:	Misc well equipment strewn on ground at Vail # 9 See attached photo#8		
Corrective Action:	Comply with Rule 603.f .		Date: 01/16/2018
Type	TRASH		
Comment:	Trash and damaged oily bucket on north side of ECD, steel bucket 1/2 full of fluid see attached photos 45 and 46		
Corrective Action:	Comply with Rule 603.f .		Date: 01/16/2018
Overall Good: <input type="checkbox"/>			
Spills:			
Type	Area	Volume	
Crude Oil	WELLHEAD	<= 1 bbl	
Comment:	Stained soil at Vail # 1 wellhead		
Corrective Action:	Remove or remediate		Date: 02/04/2018
Crude Oil	Tank	>= 5 bbls	
Comment:	Oily gravel with free product in tank containment see photos 17-31		

Corrective Action:	Remove free fluids and contact COGCC EPS staff per Rule 906.b. within 2 business days of receipt of inspection. Remove free product within 24 hours		Date:	01/09/2018
Crude Oil		<= 1 bbl		
Comment:	Stained soil at combustor knockout see photos 39-43			
Corrective Action:	Remove or remediate soils		Date:	02/04/2018
Crude Oil		>= 5 bbls		
Comment:	Oily gravel in lined area on pad. free product present see photo 16			
Corrective Action:	Remove free fluids and contact COGCC EPS staff per Rule 906.b. within 2 business days		Date:	01/09/2018

In Containment: No

Comment: ☐ Multiple Spills and Releases?

Fencing/:			
Type	WELLHEAD		
Comment:	Wellheads fenced with steel rod		
Corrective Action:			Date:
Type	LOCATION		
Comment:	Location fence with 6' chain link		
Corrective Action:			Date:

Equipment:			corrective date
Type: Horizontal Separator	# 1		
Comment:	Temporary knockout for combustor at separators. Plastic bucket begin used to drain fluids fire extinguisher covered in oil see photos 38,42 & 44. Other fire extinguishers observed on location without proper tags		
Corrective Action:	Implement actions to fully comply with Rule 606A regarding fire prevention and protection		Date: 01/08/2018
Type: Ancillary equipment	#		
Comment:	Generator		
Corrective Action:			Date:
Type: Emission Control Device	# 4		
Comment:			
Corrective Action:			Date:
Type: Gas Meter Run	# 2		
Comment:			
Corrective Action:			Date:
Type: Bird Protectors	# 15		
Comment:			
Corrective Action:			Date:
Type: Vertical Separator	# 1		
Comment:	Temporary separator at wellheads		
Corrective Action:			Date:
Type: Plunger Lift	# 9		
Comment:	Leaks observed on Vail 1 and 10		

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:	02/04/2018
Type: VRT	# 2			
Comment:				
Corrective Action:			Date:	
Type: Horizontal Heated Separator	# 9			
Comment:	GPS 40.328648/-104.959290			
Corrective Action:			Date:	
Type: VRU	# 3			
Comment:				
Corrective Action:			Date:	
Type: Flare	# 2			
Comment:	QTI Combustors in operation			
Corrective Action:			Date:	

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
OTHER	1	<100 BBLS	CONCRETE SUMP/VAULT		,
Comment:	In same berms as other tanks. unknown content as it is not labeled				
Corrective Action:					Date:

Paint

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

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Comment:				
Corrective Action:				Date:

Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	3	400 BBLS	STEEL AST		,
Comment:	same berms as water tanks				
Corrective Action:					Date:

Paint

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

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance

Comment:					
Corrective Action:				Date:	
Contents	#	Capacity	Type	Tank ID	SE GPS
CRUDE OIL	6	400 BBLS	STEEL AST		40.329207,-104.959181
Comment:		Tanks have coating of oily substance. Appears tanks have been overpressured. Ensure pressure relief valves are working to manufacture's recommended standards			
Corrective Action:		Clean Tanks			Date: 02/04/2018

Paint

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

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal	Adequate	Walls Sufficient	Base Sufficient	Adequate
Comment:				
Corrective Action:		Date:		

Venting:

Yes/No		
Comment:		
Corrective Action:		Date:

Flaring:

Type	Ignitor/Combustor	
Comment:	Onsite personnel relayed 5 wells were going down pipeline and 4 were begin flared due to line restriction. No record of sundry to approve flaring in database found	
Corrective Action:	Since the flaring or venting occurred after flowback without approval, contact the COGCC Area Engineer for next steps per Rule 912.b. within 2 business days of inspection	Date: 01/08/2018

Location Construction

Location ID: 443507 CDP: _____

Comment: _____

Corrective Action: _____

Date: _____

Form 2A COAs:

Comment: _____

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:	443498	Type:	WELL	API Number:	123-42254	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	PR								
Corrective Action:						Date:			
Facility ID:	443499	Type:	WELL	API Number:	123-42255	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:									
Corrective Action:						Date:			
Facility ID:	443500	Type:	WELL	API Number:	123-42256	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:									
Corrective Action:						Date:			
Facility ID:	443502	Type:	WELL	API Number:	123-42257	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:									
Corrective Action:						Date:			
Facility ID:	443503	Type:	WELL	API Number:	123-42258	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	PR								
Corrective Action:						Date:			
Facility ID:	443504	Type:	WELL	API Number:	123-42259	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:									
Corrective Action:						Date:			
Facility ID:	443505	Type:	WELL	API Number:	123-42260	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:									
Corrective Action:						Date:			
Facility ID:	443506	Type:	WELL	API Number:	123-42261	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:									
Corrective Action:						Date:			

Facility ID: 443507 Type: LOCATION API Number: - Status: AC Insp. Status: AO

Complaint

Comment: Inspection performed in response to complaint #200445008
Complaint as follows:

Detailed description of the issue or issues. ,Since late October 2017, Front Range Fire Rescue has responded to numerous 911 calls reporting a possible commercial structure fire southeast of Interstate 25 and Highway 60. We were able to determine that these calls were the result of large volumes of visible flames coming from the Cub Creek Energy Vail Pad. I've made contact with several administrative personnel as well as facility operators at this location and advised them that they were required to notify Weld County Dispatch any time they had visible flames because it was creating several nuisance calls for us. Additionally, because of the call nature that was generated by Dispatch, these calls also pulled in mutual aid fire engines from Berthoud and Loveland. During late October/early November, we responded to at least 6 such calls. They seemed to taper off for a while after all of my phone conversations. Unfortunately, they ramped up again around the Christmas/New Year holidays. During the past week, we have been sent to this same area for possible commercial structure fires at least two more times. With each of these dispatches, both Loveland and Berthoud have informed us that they will no longer respond to calls in this area due to the high volume of false calls. This creates an additional problem for us in that we will now not have our mutual aid companies responding if it turns out to be a legitimate fire-related call in this area. On 01/03/2018, I was driving in to work at approx. 0630 hrs. From I-25 and Hwy 60, I could see a large volume of visible flame from this same oil and gas facility. I contacted Weld County Dispatch to see if they had been notified of any flaring operations in this area. They stated that they had not, so I drove to the facility to make contact. I saw a white pickup truck (CO license plate EOG-033) parked near the separators with it's headlights on. I didn't see anyone inside, so I walked throughout all areas of the facility in an attempt to find the operator. After being unable to find the operator for at least 10-15 minutes, I realized that the operator must be inside his pickup. I approached the pickup and saw that he was asleep in the driver's seat. I knocked on the window and woke him up. I explained to him my previous communications with supervisors about notifying us for any visible flames. He told me that he had only been employed in the job for about 2 weeks and had never been told of that. I walked the facility with Mike Leonard (COGCC) today and noticed several other violations that concerned me. These included but were not limited to large amounts of product on the ground in the tank farm, pressure relief valves on top of the tanks that appeared to be damaged, and several open 5 gallon plastic buckets on the ground. CDPHE inspector also performed inspection on same day. No non-compliance of visible flames found. Onsite contractor said they would try to time well production as to not send too much to combustors and would call Weld County dispatch if visible flames were noticed. No off-site odors were detected. All onsite spills are addressed in this inspection form.

Corrective Action:

Date:

Facility ID: 443508 Type: WELL API Number: 123-42262 Status: PR Insp. Status: PR

Producing Well

Comment: PR

Corrective Action:

Date:

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

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

Land Use: DRY LAND

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? Fail

Comment

Rat holes uncovered at wells 3,4,5,6 and 9. See attached photos

Corrective Action

Close rat holes in compliance with Rule 1003 a. If holes are needed for future operations cover holes to prevent access and provide documentation as future timing and use of rat holes

Date **02/04/2018**

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 REVEGETATIONCropland

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: DRY LAND _____

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 ☐

Attached Documents

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

Document Num	Description	URL
678800475	Location Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4341463