

**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:

04/16/2018

Submitted Date:

04/18/2018

Document Number:

682403487**FIELD INSPECTION FORM**Loc ID 441995 Inspector Name: Binschus, Chris On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**OGCC Operator Number: 10673Name of Operator: GADECO LLCAddress: 3600 SOUTH YOSEMITE STREET SUITE 900City: DENVER State: CO Zip: 80237**Status Summary:**

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

Findings:9 Number of Comments2 Number of Corrective Actions

- ☒
- Corrective Action Response Requested

Contact Information:

| Contact Name | Phone | Email | Comment |
|--------------|----------------|----------------------------------|-------------------|
| MORGAN, JOHN | (303) 850-7490 | jmorgan@sierra-hamilton.com | Principal Agent |
| , | | dnr_cogccenforcement@state.co.us | COGCC Enforcement |
| | | mriggs@sierra-hamilton.com | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|--|-------------|
| 449609 | WELL | DG | 10/29/2017 | | 123-44404 | Grynberg Stateline Federal 24-12-65-4-NH | RI |

General Comment:

This is a follow-up Interim Reclamation and Stormwater inspection to Field Inspection Report Document # 682403410. Where corrective actions from the previous inspection report remain unresolved, the corrective action date remains unchanged. This location has already been referred to Enforcement. This inspection is being entered for notification and documentation only and is not intended to provide the Operator the opportunity to resolve the alleged violations without the imposition of a penalty, pursuant to Rule 522.c.(1).

Location Construction

Location ID: 441995 CDP: _____

Comment: Note: The approximate total disturbance area, which includes impacted areas from wind erosion sediment deposition, is approximately 13.0 acres. Refer to the attached inspection photos for more detail.

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:

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

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

Land Use: RANGELAND

Comment: _____

1002 SITE PREPARATION AND STABILIZATION

1002a. FENCING _____

Comment _____

Corrective Action _____

Date _____

1002b. SOIL REMOVAL AND
SEGREGATION

Pass

Comment

Information copied from previous inspection.

Appears topsoil was salvaged and stored along the western perimeter of the location.

Corrective Action _____

Date _____

1002c. PROTECTION OF SOILS In Process

Comment

Operator has applied hydromulch to the topsoil stockpile. Operator shall consider long-term stabilization BMPs when stabilizing all stockpiles, as hydromulch is only a temporary BMP.

Corrective Action _____

Date _____

1002E. SURFACE DISTURBANCE MINIMIZATION Fail

Comment

This location is not in compliance with Site Preparation and Stabilization Rule 1002.e.(1). Operator has overbuilt the location by 1.6 acres and has caused another 4.0 acres of disturbance from wind erosion sediment deposition, totaling 5.6 acres of additional disturbance from the approved permit. Operator has failed to reasonably minimize land disturbances; failed to reasonably control dust and minimize erosion, alteration of natural features, removal of surface materials, and degradation due to contamination, all in violation of Rule 1002.e.(1).

Corrective Action

This has been referred to enforcement. Corrective actions will be forthcoming per the NOAV.

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 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

Information copied from previous inspection.

Operator shall reclaim all areas not needed for production operations per Rule 1003 standards within 6-months from the rig release date of November 9, 2017.

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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| | | | | | | |

Comment: This location is not in compliance with Stormwater Management Rule 1002.f.(2). Operator has failed to implement erosion controls designed to minimize erosion from unpaved areas, including operational well pads. The northern and southern well pad areas continue to be the cause of wind erosion sediment deposition off location from unconsolidated soil particle material. Even after applying a soil binding tacking agent, wind erosion sediment deposition continues off location.

Corrective Action: This has been referred to enforcement. Install or repair required BMPs in accordance with good engineering practices per Rule 1002.f.(2). Corrective actions from the previous inspection were not resolved; therefore, the corrective action date on this inspection remains the same from the previous inspection.

Date: 10/12/2017

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 |
|--------------|-------------------|---|
| 682403488 | Inspection Photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4437880 |