

**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:

05/24/2018

Submitted Date:

05/29/2018

Document Number:

679700927**FIELD INSPECTION FORM**Loc ID _____ Inspector Name: _____ On-Site Inspection ☐
ALLISON, RICK 2A Doc Num: _____**Operator Information:**OGCC Operator Number: 10071Name of Operator: HIGHPOINT OPERATING CORPORATIONAddress: 1099 18TH ST STE 2300City: DENVER State: CO Zip: 80202**Status Summary:**

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

Findings:5 Number of Comments1 Number of Corrective Actions☒ Corrective Action Response Requested**Contact Information:**

Contact Name	Phone	Email	Comment
Jeremy Ferrin		dnr_cogccenforcement@state.co.us	COGCC Enforcement
Pesicka, Conor		conor.pesicka@state.co.us	Area Inspector
Matt Barber		mbarber@hpres.com	
Sheila Singer		ssinger@hpres.com	
Axelson, John		john.axelson@state.co.us	East Environmental Supervisor

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
454282	LAND APPLICATION SITE	AC			-	Krier #4	EI
455159	SPILL OR RELEASE	AC	05/24/2018		-	Krier #4	EI

General Comment:

Inspected Facilities									
Facility ID:	454282	Type:	LAND	API Number:	-	Status:	AC	Insp. Status:	EI
Facility ID:	455159	Type:	SPILL OR	API Number:	-	Status:	AC	Insp. Status:	EI

Environmental**Waste Management:**

Type	Management	Condition	GPS (Lat)	(Long)
Drill Cuttings	Land Application	Adequate		
Comment:	Drilling fluids and cuttings application appear to have been corrected to prevent further runoff from designated land application site. Per onsite Operator personnel, site is now staffed continuously with permitter inspections to occur every 1.5 hours.			
Corrective Action				Date:

Spill/Remediation:

Comment: Operator notified COGCC via phone on 5/23/2018 that recent storms had caused the offsite migration of drilling mud from the Krier 4 land application site. Operator stated that spill was discovered on 5/20/2018 after a thunderstorm and heavy rain. Operator submitted Form 19 Initial Spill/Release Report on 5/23/2018. Drilling fluid migrated approximately 4500 feet from the north end of the Krier 4 land application area and impacted oil and gas facilities operated by third parties including the Smith Energy Carlson 22-1 tank battery and a DCP compressor station. Drilling fluid flowed along the County Road 68 ditch and crossed County Road 91. Drilling fluid then impacted the DCP compressor station and continued to flow along the southside of County Road 68 before following topography to the southwest back into dryland wheat fields.

Corrective Action: This spill is being referred for enforcement for Rule 906.b. 907.d. and 1002.f. violations. Operator shall immediately continue or begin implementation of the following corrective actions. 1. Operator shall continue recovery of all free standing drilling fluid that has migrated offsite. 2. Operator shall incorporate all drilling fluid that remained onsite. 3. All dried drilling fluid must be removed from the Carlson 22-1 tank battery, the DCP Compressor station, the County Road 68 & 91 ditches and right-of-way. 4. Operator shall immediately implement stormwater control program to prevent any further migration of drilling waste from the boundaries of the approved Krier 4 Land Application Site. 5. To close the spill, Operator will be required to document that soil in the path of the spill from the origin to termination point complies with Table 910-1 Concentration Levels for BTEX, TPH-GRO, TPH-DRO, SAR, pH and EC. Confirmation soil samples area required along the flow path from the point of origin, on the Carlson 22-1 tank battery, along the County Road 68 and 91 ditches, on the DCP Compressor station, in the dryland fields west of County Road 91. 6. Operator shall consult with Surface Owner of wheat fields west of County Road 91 regarding remediation of drilling fluid spill in areas unauthorized for land application and report planned actions to COGCC using Form 19 Supplemental Reports. 7. Operator shall provide a map showing the extent of offsite drilling fluid migration. 8. Operator shall perform a detailed root cause for the offsite travel of drilling fluids and provide a detailed corrective action plan, including a stormwater control plan designed to withstand severe weather events. All soil sampling and corrective actions shall be reported using Form 19 Supplemental Reports.

Date: _____

Emission Control Burner (ECB): _____

Comment: _____

Pilot: _____ Wildlife Protection Devices (fired vessels): _____

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

Document Num	Description	URL
679700928	Google Earth Aerial Image	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4476404
679700930	Krier 4 Spill Inspection Photos 5-24-2018	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4476405