

**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:

03/18/2019

Submitted Date:

03/25/2019

Document Number:

693900090**FIELD INSPECTION FORM**Loc ID 306752 Inspector Name: ROY, CATHERINE On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**OGCC Operator Number: 10133Name of Operator: HILCORP ENERGY COMPANYAddress: P O BOX 61229City: HOUSTON State: TX Zip: 77208**Status Summary:**☐ THIS IS A FOLLOW UP INSPECTION☒ FOLLOW UP INSPECTION REQUIRED☐ NO FOLLOW UP INSPECTION REQUIRED**Findings:**7 Number of Comments3 Number of Corrective Actions☒ Corrective Action Response Requested**ANY CORRECTIVE ACTION(S) FROM
PREVIOUS INSPECTIONS THAT HAVE NOT
BEEN ADDRESSED ARE STILL APPLICABLE****Contact Information:**

Contact Name	Phone	Email	Comment
Shorty, Priscilla		pshorty@hilcorp.com	All SW Inspections
Ray, Mandy	(505) 599-4083	mray@hilcorp.com	All Inspections

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
263014	WELL	SI	10/01/2014	OBW	067-08699	PENROSE 1RX	RI
441429	WELL	DG	11/16/2017	LO	067-09929	PENROSE 2-8H	RI
441565	WELL	XX	05/01/2017	LO	067-09932	PENROSE 3-8H	RI

General Comment:

This is an interim reclamation and stormwater inspection. Portions of this inspection are being entered for notification and documentation only and are not intended to provide the Operator the opportunity to resolve the alleged violations without the imposition of a penalty, pursuant to Rule 522.c therefore there are sections of the inspection report where no corrective action date is entered. The corrective actions need to be performed immediately except for where indicated by a future corrective action date. COGCC inspector talked to Freddy Proctor on 3-19-2019 to notify Hilcorp about need to address access issues due to water ponding (see details below).

Location

Lease Road:			
Type	Access		
comment:	Water is ponding over the majority of the well pad, preventing safe access. See attached photos.		
Corrective Action:	Remove ponded water to ensure safe access, in accordance with Rule 604.c..	Date:	

Overall Good: ☐

Emergency Contact Number:

Comment:		Date: _____
Corrective Action:		

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:

Inspected FacilitiesFacility ID: 263014 Type: WELL API Number: 067-08699 Status: SI Insp. Status: RIFacility ID: 441429 Type: WELL API Number: 067-09929 Status: DG Insp. Status: RIFacility ID: 441565 Type: WELL API Number: 067-09932 Status: XX Insp. Status: RI

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

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

Land Use: OTHER, RANGELAND, TIMBER

Comment: [Project area is surrounded by pinyon juniper woodland.](#)**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? _____

Comment _____

Corrective Action _____ Date _____

Guy line anchors marked? _____

Comment _____

Corrective Action _____ Date _____

- 1003b. Area no longer in use? Fail 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 In

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 Interim reclamation is not conducted. COGCC records indicate the 067-09929 well was drilled on September 1, 2017. Therefore, interim reclamation should have been conducted by March 1, 2018.

Corrective Action Conduct interim reclamation during the spring 2019 seeding window, and no later than April 30, 2019.

Date 04/30/2019

Overall Interim Reclamation Fail

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: Stormwater erosion is occurring in well pad cut-slopes that are not yet stabilized with vegetation, and along the access road where snowmelt flows erode channels toward the well pad. Erosion is also occurring in the northern fill slope between this well pad and adjacent 067-08698 well pad, where stormwater flows eastward down fill slopes.

Corrective Action: Stormwater controls need to be installed to stabilize erosion within the project area. Short term and long term controls will be needed during interim reclamation.

Date: 04/30/2019

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
401983186	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4772107
693900098	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4772105