

**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:

09/09/2019

Submitted Date:

10/04/2019

Document Number:

688800635**FIELD INSPECTION FORM**
 Loc ID 467436 Inspector Name: Hughes, Jim 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:**16 Number of Comments8 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 |
|-------------------|--------------|---------------------------|---------|
| Fischer, Alex     |              | alex.fischer@state.co.us  |         |
| Heil, John        |              | john.heil@state.co.us     |         |
| Shorty, Priscilla |              | pshorty@hilcorp.com       |         |
| Ray, Mandi        | 505-324-5122 | mray@hilcorp.com          |         |
| Pesicka, Conor    |              | conor.pesicka@state.co.us |         |
| Lutz, Deborah     |              | debbie.lutz@state.co.us   |         |

**Inspected Facilities:**

| Facility ID | Type                          | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|-------------------------------|--------|-------------|------------|---------|---------------|-------------|
| 467437      | GAS<br>COMPRESSO<br>R STATION | AC     | 09/12/2019  |            | -       | Argenta CPD   | EI          |

**General Comment:**

On September 9, 2019 COGCC West Environmental Supervisor Alex Fischer and SW EPS Jim Hughes conducted an environmental field inspection of the Hilcorp Argenta CPD. Hilcorp representative Chad Murphy was on site during this inspection. Location ID #467436 has been created in the COGIS database for the Argenta CPD. Facility ID #467437 has also been created in the COGIS database for this facility.

| Location  |  |          |       |                  |
|---|--|----------|-------|------------------|
| <b>Lease Road:</b>                                |  |          |       |                  |
| Type  | Access   |          |       |                  |
| comment:  |  |          |       |                  |
| Corrective Action                                 | L  |          | Date: |                  |
| Overall Good: <input checked="" type="checkbox"/> |  |          |       |                  |
| <b>Signs/Marker:</b>                              |  |          |       |                  |
| Type  | TANK LABELS/PLACARDS   |          |       |                  |
| Comment:  | Cube shaped vessel and adjacent open topped below grade vessel are not labeled per Rule 210.d.   |          |       |                  |
| Corrective Action:                                | Install sign to comply with Rule 210.d.  |          | Date: | 11/04/2019       |
| Type  | TANK LABELS/PLACARDS   |          |       |                  |
| Comment:  | "Slop tank #1" does not have signage required by Rule 210.d. Conoco Phillips sticker labeling AST as a produced water tank is from previous operator.  |          |       |                  |
| Corrective Action:                                | Install sign to comply with Rule 210.d.  |          | Date: | 11/04/2019       |
| Type  | OTHER  |          |       |                  |
| Comment:  | Free standing location sign near entrance to location.   |          |       |                  |
| Corrective Action:                                |  |          | Date: |                  |
| Type  | TANK LABELS/PLACARDS   |          |       |                  |
| Comment:  | Approximately 95 bbl. fiberglass open topped vessel is not labeled with capacity.  |          |       |                  |
| Corrective Action:                                |  |          | Date: |                  |
| Emergency Contact Number:                         |  |          |       |                  |
| Comment:  | Emergency contact information was not observed on any location signs.  |          |       |                  |
| Corrective Action:                                | Install sign to comply with Rule 210.d.  |          |       | Date: 11/04/2019 |
| <b>Good Housekeeping:</b>                         |  |          |       |                  |
| Type  | UNUSED EQUIPMENT   |          |       |                  |
| Comment:  | Unused equipment on upper level of facility.   |          |       |                  |
| Corrective Action:                                | Comply with Rule 603.f.  |          | Date: | 01/04/2020       |
| Type  | STORAGE OF SUPL  |          |       |                  |
| Comment:  | Unused equipment stored on upper level of facility.  |          |       |                  |
| Corrective Action:                                | Comply with Rule 603.f.  |          | Date: | 01/04/2020       |
| Overall Good: <input type="checkbox"/>            |  |          |       |                  |
| <b>Spills:</b>                                    |  |          |       |                  |
| Type  | Area   | Volume   |       |                  |
| Lube Oil  |  |          |       |                  |
| Comment:  | Several areas of stained soil and gravel observed during this inspection. Most notable are areas north of compressor building, surrounding the southernmost compressor, and near the northern entrance to the compressor building. |          |       |                  |
| Corrective Action:                                | Control and contain spills/releases and clean up per Rule 906.a. Contact COGCC EPS staff.  |          |       | Date: 11/04/2019 |
| Produced Water                                    | Truck Loadout  | <= 1 bbl |       |                  |
| Comment:  | Stained soil beneath truck load out valve on AST.  |          |       |                  |

|   |                         |
|---|-------------------------|
| Corrective Action: <b>Control and contain spills/releases and clean up per Rule 906.a. Contact COGCC EPS staff.</b> | Date: <b>11/04/2019</b> |
|---|-------------------------|

In Containment: No

Comment:

☒ Multiple Spills and Releases?**Fencing/:**

Type LOCATION

Comment: Chain link perimeter fencing.

Corrective Action:

Date:

**Equipment:**

corrective date

Type: Vertical Separator

# 5

Comment:

Corrective Action:

Date:

Type: Gas Meter Run

# 2

Comment:

Corrective Action:

Date:

Type: Dehydrator

# 5

Comment:

Corrective Action:

Date:

Type: Bird Protectors

# 6

Comment:

Corrective Action:

Date:

**Tanks and Berms:**

| Contents           | # | Capacity  | Type     | Tank ID | SE GPS                |
|--------------------|---|-----------|----------|---------|-----------------------|
| PRODUCED WATER     | 1 | <100 BBLS | Open Top |         | 37.129232,-107.936964 |
| Comment:           |   |           |          |         |                       |
| Corrective Action: |   |           |          |         | Date:                 |

**Paint**

Condition Adequate

Other (Content)

Other (Capacity) Open topped vessel is not labeled with capacity.

Other (Type)

**Berms**

|                    |          |                     |                     |             |                       |
|--------------------|----------|---------------------|---------------------|-------------|-----------------------|
| Type               | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |                       |
| Earth              | Adequate | Walls Sufficent     | Base Sufficient     | Adequate    |                       |
| Comment:           |          |                     |                     |             |                       |
| Corrective Action: |          |                     |                     |             | Date:                 |
| Contents           | #        | Capacity            | Type                | Tank ID     | SE GPS                |
| PRODUCED WATER     | 1        | <100 BBLS           | Open Top            |             | 37.130118,-107.937737 |
| Comment:           |          |                     |                     |             |                       |

|                    |  |       |  |
|--------------------|--|-------|--|
| Corrective Action: |  | Date: |  |
|--------------------|--|-------|--|

Paint

|                  |          |  |
|------------------|----------|--|
| Condition        | Adequate |  |
| Other (Content)  |          |  |
| Other (Capacity) | Unknown  |  |
| Other (Type)     |          |  |

Berms

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

|                    |   |           |          |         |                       |
|--------------------|---|-----------|----------|---------|-----------------------|
| Contents           | # | Capacity  | Type     | Tank ID | SE GPS                |
| PRODUCED WATER     | 1 | <100 BBLs | Open Top |         | 37.129177,-107.937133 |
| Comment:           |   |           |          |         |                       |
| Corrective Action: |   |           |          |         | Date:                 |

Paint

|                  |  |  |
|------------------|--|--|
| Condition        | Adequate                                       |  |
| Other (Content)  |  |  |
| Other (Capacity) | Open topped tank is not labeled with capacity. |  |
| Other (Type)     |  |  |

Berms

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

|                    |   |          |                  |         |                       |
|--------------------|---|----------|------------------|---------|-----------------------|
| Contents           | # | Capacity | Type             | Tank ID | SE GPS                |
| PRODUCED WATER     | 1 | 300 BBLs | HEATED STEEL AST |         | 37.129219,-107.937236 |
| Comment:           |   |          |                  |         |                       |
| Corrective Action: |   |          |                  |         | Date:                 |

Paint

|                  |                  |  |
|------------------|------------------|--|
| Condition        | Adequate         |  |
| Other (Content)  |                  |  |
| Other (Capacity) | Capacity unknown |  |
| Other (Type)     |                  |  |

Berms

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

Venting:

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

**Flaring:**

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

| Inspected Facilities |        |       |     |             |   |         |    |               |    |
|----------------------|--------|-------|-----|-------------|---|---------|----|---------------|----|
| Facility ID:         | 467437 | Type: | GAS | API Number: | - | Status: | AC | Insp. Status: | EI |

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

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

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs                          | Chemical BMP Maintenance | Comment                                       |
|------------------|-----------------|-------------------------|-----------------------|--|--------------------------|---|
| Gravel           | Pass            |                         |                       | Material Handling And Spill Prevention | Pass                     | Drip pots on load out valves.                 |
| Compaction       | In Process      | Gravel                  | Pass                  | Material Handling And Spill Prevention | Pass                     | Drip pans beneath pumps.                      |
| Rip Rap          | Pass            | Compaction              | Pass                  | Material Handling And Spill Prevention | Pass                     | Lube oil containers in secondary containment. |

Comment: Erosional channels forming along southern edge of upper level. Sediment transport evident along northwestern edge of lower level. Stained soil and gravel in this immediate area suggest contaminant transport off site may be occurring.

Corrective Action: Install or repair required BMPs per Rule 1002.f.

Date: 11/04/2019

Pits: ☒ NO SURFACE INDICATION OF PIT

**COGCC Comments**

| Comment  | User     | Date       |
|--|----------|------------|
| <p>On September 9, 2019 COGCC West Environmental Supervisor Alex Fischer and SW EPS Jim Hughes conducted an environmental field inspection of the Hilcorp Argenta CPD. Hilcorp representative Chad Murphy was on site during this inspection. Location ID #467436 has been created in the COGIS database for the Argenta CPD. Facility ID #467437 has also been created in the COGIS database for this facility.</p> <p>Erosional channels forming along southern edge of upper level. Sediment transport evident along northwestern edge of lower level. Stained soil and gravel in this immediate area suggest contaminant transport off site may be occurring.</p> <p>During this inspection, several areas of stained soil were observed. Most notable were areas to the northeast of the compressor building and below the load out valve on the "slop tank".</p> <p>Unused equipment is being stored on both levels of this facility.</p> <p>Ensure that all tanks are labeled with required information listed in Rule 210.d.</p> <p>The operator shall contact the COGCC Western Location Specialist within 60 days of this inspection being submitted regarding Form 2A applicability for this facility.</p> <p>The operator shall contact the COGCC Financial Assurance Analyst within 60 days of submission of this inspection regarding this facility.</p> | hughesjo | 10/04/2019 |

**Attached Documents**

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

| Document Num | Description          | URL   |
|--------------|----------------------|---|
| 402200626    | INSPECTION SUBMITTED | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4955891">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4955891</a> |
| 688800636    | Inspection Photos    | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4955889">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4955889</a> |