

**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:

11/08/2019

Submitted Date:

11/12/2019

Document Number:

688306288

FIELD INSPECTION FORM

Loc ID 435414 Inspector Name: Sherman, Susan On-Site Inspection 2A Doc Num: _____

Status Summary:

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

Operator Information:

OGCC Operator Number: 10706
Name of Operator: D90 ENERGY LLC
Address: 202 TRAVIS STREET #402
City: HOUSTON State: TX Zip: 77002

Findings:

- 12 Number of Comments
- 3 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 |
|-------------------|--------------|----------------------------------|------------------|
| | | dnr_cogccengineering@state.co.us | |
| Oakes, Kevin | 713-227-0391 | kevin@d90energy.com | Designated Agent |
| Pesicka, Conor | | conor.pesicka@state.co.us | |
| Silverman, Daniel | 713-227-0391 | dsilverman@d90energy.com | President |
| McCann, Randall | 337-654-9804 | rmccann@pcminc.com | Designated Agent |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|----------------|-------------|
| 435415 | WELL | SI | 06/01/2018 | OW | 073-06568 | JOHN CRAIG 4-2 | SI |

General Comment:

Routine Inspection
Form 10 is in process, sending inspection to both operators until approved.
MIT is required for a well found in TA status without an approved Form 4.

Location

| | | | |
|--------------------|--------------------------------------------------------------|-------|------------|
| Lease Road: | | | |
| Type | Access | | |
| comment: | cattle guard pulled making access to the well not accessible | | |
| Corrective Action: | Repair and maintain lease road to comply with rule 204. | Date: | 12/13/2019 |

Overall Good:

| | | | |
|----------------------|-----------------------------------------------|-------|--|
| Signs/Marker: | | | |
| Type | OTHER | | |
| Comment: | location sign at access road and tank battery | | |
| Corrective Action: | | Date: | |
| Type | WELLHEAD | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

| | | | |
|----------------------------------|--------------|-------|--|
| Emergency Contact Number: | | | |
| Comment: | 303-638-6096 | | |
| Corrective Action: | | Date: | |

Overall Good:

| | | | |
|----------------|------|--------|--|
| Spills: | | | |
| Type | Area | Volume | |

In Containment: No

Comment:

Multiple Spills and Releases?

| | | | |
|--------------------|------------------------------------------------------------------------------|-------|--|
| Fencing/: | | | |
| Type | LOCATION | | |
| Comment: | barbed wire, interim reclamation vegetation looks good (see attached photos) | | |
| Corrective Action: | | Date: | |
| Type | WELLHEAD | | |
| Comment: | steel panels | | |
| Corrective Action: | | Date: | |

| | | | |
|--------------------------|--------------------------------------------------------------------------------------|-------|-----------------|
| Equipment: | | | corrective date |
| Type: Deadman # & Marked | # 4 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Flow Line | # 1 | | |
| Comment: | flowline is tagged out at wellhead, 4 risers are not tagged out (see attached photo) | | |
| Corrective Action: | | Date: | |
| Type: Pump Jack | # 0 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Tanks and Berms:

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|---|----------|---------------------|---------|--------|
| | | | CENTRALIZED BATTERY | | |
| Comment: | | | | | |
| Corrective Action: | | | | | Date: |

Paint

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

Berms

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

Venting:

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

Flaring:

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

Location Construction

Location ID: 435415 CDP: _____

Comment:

Corrective Action:

Date: _____

Form 2A COAs:

Comment: Document 401416511 04 -00 -VENT_FLARE-H2S is APPROVED on 09/29/2017 but is required annually for producing wells.

Corrective Action:

Date: 11/13/2019

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: 435415 Type: WELL API Number: 073-06568 Status: SI Insp. Status: SI

Idle Well

Purpose: Shut In Temporarily Abandoned Reminder: _____

Comment: SI since Jun 2018, last reported to COGCC dataqbase. MIT is due in 30 days on a TA found by inspector with no Form 4 to approved it. Form 4 VENT_FLARE was last submitted/approved in 2017.

Well was found in state of Temporary Abandonment. Well is overdue for Mechanical Integrity Test (MIT) MIT requires 10 day notification via Form 42. Well plugging requires an approved Form 6 Intent to Abandon to plug well. Well can only be returned to SI status if it has produced (without mechanic intervention) within 2 years per Rule 319.b. Perform successful mechanical integrity test. If a successful MIT can not be performed within 30 day CA time the well must be plugged within 3 months per Rule 326 and 208.

Corrective Action: **Perform successful mechanical integrity test. If a successful MIT cannot be performed within 30 day CA time the well must be plugged within 3 months per Rule 326 and 208.**

Date: 12/13/2019

Attached Documents

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

| Document Num | Description | URL |
|--------------|-------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 688306309 | D90 Energy/KTM John Craig 4-2 | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4986278 |