

**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:

01/07/2020

Submitted Date:

01/07/2020

Document Number:

679706859**FIELD INSPECTION FORM**Loc ID 314738 Inspector Name: Moran, Rick On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**OGCC Operator Number: 10725Name of Operator: VALKYRIE OPERATING LLCAddress: 1600 STOUT STREET SUITE 1000City: DENVER State: CO Zip: 80202**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**ANY CORRECTIVE ACTION(S) FROM
PREVIOUS INSPECTIONS THAT HAVE NOT
BEEN ADDRESSED ARE STILL APPLICABLE****Contact Information:**

Contact Name	Phone	Email	Comment
Dunham, Tyson	307-388-2290	tdunham@valkyrieoperating.com	All inspections
Kellerby, Shaun	970-712-1248	shaun.kellerby@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
229453	WELL	PR	10/01/2017	OW	103-07109	GOVT 1	PR

General Comment:[COGCC Inspection Report Summary.](#)[On 1-7-2020 at approximately 14:30, inspector Rick Moran, conducted a follow up inspection at Valkyrie Operating well Government Hayes 1 in Rio Blanco county of FIR document 679705793.](#)[The following compliance issues were resolved:](#)

- [1\) Open top tank berm has a 3 foot wide section on the northeast that is inadequate.](#)
- [2\) Crude tank berm height inadequate on SE & SW side.](#)
- [3\) Water tank berm height inadequate on the north side.](#)
- [4\) All tank labels at battery incomplete.](#)

[Additional compliance issues:](#)

- [1\) Blow down tank has no label. Photo 5. Complete by 3-7-2020.](#)
- [2\) Blow down tank netting has large gap. Photo 6. Complete by 3-7-2020.](#)

[A follow up inspection will occur to ensure the compliance issues have been corrected to comply with COGCC rules.](#)[This is a summary of inspection report 679706859.](#)

LocationOverall Good: ☒

Signs/Marker:			
Type	CONTAINERS		
Comment:			
Corrective Action:		Date:	
Type	TANK LABELS/PLACARDS		
Comment:	Blow down tank has no label.		
Corrective Action:	Install sign to comply with Rule 210.d.	Date:	03/07/2020
Type	CONTAINERS		
Comment:			
Corrective Action:		Date:	
Type	BATTERY		
Comment:			
Corrective Action:		Date:	

Emergency Contact Number:

Comment: 911

Corrective Action:

Date: _____

Overall Good: ☒

Spills:			
Type	Area	Volume	

In Containment: No

Comment:

☐ Multiple Spills and Releases?

Equipment:			corrective date
Type: Ancillary equipment	# 6		
Comment:	At well container of corrosion inhibitor with secondary containment. At battery a container of propane. One container each of the following: industrial bactericide, combination inhibitor, scale inhibitor, demulsifier, and methanol all with secondary containment.		
Corrective Action:		Date:	
Type: Bird Protectors	# 2		
Comment:			
Corrective Action:		Date:	
Type: Deadman # & Marked	# 4		
Comment:			
Corrective Action:		Date:	
Type: Horizontal Heated Separator	# 2		
Comment:			
Corrective Action:		Date:	

Type: Pump Jack	# 1		
Comment:			
Corrective Action:			Date:
Type: Other	# 3		
Comment:	Two equipment buildings. One header with 13 flow lines. Three of the flow lines are disconnected.		
Corrective Action:			Date:

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
OTHER	1	500 BBLs	Open Top		40.119000,-108.789810
Comment:	Large gap in the netting on top of the tank.				
Corrective Action:	Install or repair wildlife protection equipment				Date: 03/07/2020

Paint

Condition	Adequate	
Other (Content)		
Other (Capacity)		
Other (Type)		

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Earth	Adequate			Adequate	
Comment:					
Corrective Action:					
Date:					
Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	2	500 BBLs	FIBERGLASS AST		40.119530,-108.790790
Comment:					
Corrective Action:					
Date:					

Paint

Condition	Adequate	
Other (Content)		
Other (Capacity)		
Other (Type)		

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Earth	Adequate			Adequate	
Comment:					
Corrective Action:					
Date:					
Contents	#	Capacity	Type	Tank ID	SE GPS
CRUDE OIL	3	500 BBLs	STEEL AST		40.118770,-108.790010
Comment:					
Corrective Action:					
Date:					

Paint

Condition	Adequate	
Other (Content)		
Other (Capacity)		
Other (Type)		

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate			Adequate
Comment:				
Corrective Action:				Date:

Venting:

Yes/No		
Comment:	No gas stream was visible venting into the blow down tank during the inspection.	
Corrective Action:		Date:

Flaring:

Type	
Comment:	
Corrective Action:	Date:

Inspected Facilities									
Facility ID:	229453	Type:	WELL	API Number:	103-07109	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	PR								
Corrective Action:								Date:	

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

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
				Material Handling And Spill Prevention	Pass	

Comment: Corrective Action: Date: **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
679706860	inspection photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5030832