

Inspector Name: LEONARD, MIKE

**FORM
INSP**Rev
05/11**State of Colorado****Oil and Gas Conservation Commission**

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109



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Inspection Date:

12/21/2012

Document Number:

668200388

Overall Inspection:

Unsatisfactory**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Tracking Type	Inspector Name:
	<u>428931</u>	<u>428932</u>		<u>LEONARD, MIKE</u>

Operator Information:OGCC Operator Number: 10133 Name of Operator: HILCORP ENERGY COMPANYAddress: P O BOX 61229City: HOUSTONState: TXZip: 77208**Contact Information:**

Contact Name	Phone	Email	Comment
McKnight, John	713-209-2494	jmcknight@hilcorp.com	

Compliance Summary:QtrQtr: Lot 3 Sec: 6 Twp: 14S Range: 63W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Unsatisfactory	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
12/17/2012	668200366	DG	WO	V	I		Y
12/11/2012	668200364	DG	DG	V			Y
11/21/2012	668200327	XX	DG	S			N
11/20/2012	668200321	XX	DG	S			N

Inspector Comment:

MET ONSITE WITH GREG FILLPOT, MARK JOHNSON, PETER GINTAUTAS, GREG DERANLEAU, JOHN NOTO AND LANDOWNER DALE MEYERS TO DISCUSS ISSUES LISTED IN COMPLAINT # 200372387 LOCATION

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	
428931	WELL	DG	11/18/2012	LO	041-06072	Myers 21-06CH	<input checked="" type="checkbox"/>

Equipment:Location Inventory

Special Purpose Pits: <u>1</u>	Drilling Pits: <u> </u>	Wells: <u>1</u>	Production Pits: <u> </u>
Condensate Tanks: <u> </u>	Water Tanks: <u>2</u>	Separators: <u>1</u>	Electric Motors: <u> </u>
Gas or Diesel Motors: <u>2</u>	Cavity Pumps: <u> </u>	LACT Unit: <u> </u>	Pump Jacks: <u> </u>
Electric Generators: <u>1</u>	Gas Pipeline: <u> </u>	Oil Pipeline: <u>1</u>	Water Pipeline: <u> </u>
Gas Compressors: <u> </u>	VOC Combustor: <u> </u>	Oil Tanks: <u>2</u>	Dehydrator Units: <u> </u>
Multi-Well Pits: <u> </u>	Pigging Station: <u> </u>	Flare: <u> </u>	Fuel Tanks: <u>1</u>

Location**Signs/Marker:**

Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
WELLHEAD	Satisfactory			

Emergency Contact Number: (S/U/V) SatisfactoryCorrective Date:

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Comment:	
Corrective Action:	

Spills:				
Type	Area	Volume	Corrective action	CA Date
<input type="checkbox"/> Multiple Spills and Releases?				

Venting:		
Yes/No	Comment	

Flaring:				
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date

<u>Predrill</u>				
Location ID: 428932				
Site Preparation:				
Lease Road Adeq.:		Pads:	Soil Stockpile:	
Corrective Action:		Date:	CDP Num.:	

Form 2A COAs:

Group	User	Comment	Date
OGLA	koepsear	The moisture content of any drill cuttings in a cuttings pit, trench, or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts. At the time of closure, the drill cuttings must also meet the applicable standards of table 910-1.	03/28/2012
OGLA	koepsear	In accordance with COGCC Rule 1002.f.(2)A. & B., during drilling and completion operations the operator shall provide a designated storage area for dry bulk chemicals and miscellaneous fluids. The storage area shall be covered to prevent contact of precipitation with chemicals, shall be elevated above storm- or standing water, and shall provide sufficient containment to prevent release of spilled fluids or chemicals from impacting soil, surface water or groundwater and will prevent the co-mingling of spilled fluids or chemicals with other E & P Waste.	03/28/2012

OGLA	koepsear	<p>Baseline water sampling</p> <p>The operator will conduct baseline sampling of (at a minimum) the two (2) closest water wells. The operator may conduct additional groundwater monitoring at their own discretion.</p> <p>Laboratory analysis at a minimum will include the following: pH (lab) TDS Conductivity (lab, not resistivity) SAR calculation Ca, K, Mg, Na, As, B, Ba, Cd, Cr, Cu, Fe, Mn, Pb, Se (all total recoverable) Br, Cl, F, SO₄, Alkalinity (Total, HCO₃ and CO₃ – all expressed as CaCO₃) benzene toluene ethyl benzene o-xylene m- + p-xylene Dissolved Methane MBAS, DRO, GRO Field parameters including pH, Temperature and Conductivity shall be recorded prior to collecting the sample for laboratory analysis. Field observations such as odor, water color, sediment, bubbles and effervesce shall also be included.</p> <p>If free gas or a dissolved methane concentration level greater than one (1) milligrams per liter (mg/l) is detected in a water well, gas compositional analysis and stable isotope analysis of the methane (carbon and deuterium) shall be performed to determine gas type (biogenic or thermogenic). If the methane concentration increases by more than five (5) mg/l between sampling periods, or increases to more than ten (10) mg/l, the operator shall notify the Director and the owner of the water well immediately. If thermogenic methane concentrations increase between sampling periods, the operator shall submit to the Director an action plan to determine the source of the increase.</p> <p>The selected sampling locations will be sampled again 1 year, 3 years and 6 years after completion. Post completion sampling of water wells will consist of the same analyte list as the pre-drilling program. Copies of all test results, field parameters and field observations described above shall be provided to the Director, and the water well owner within three (3) months of collecting the samples. The analytical data and surveyed sample locations shall also be submitted to the Director in an electronic data deliverable format approved by Director.</p> <p>Participating in the COGA voluntary baseline water quality monitoring program meets the requirements of this COA.</p>	03/28/2012
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Comment:**CA:****Date:****Wildlife BMPs:**

BMP Type	Comment
PROPOSED BMPs	<p>The following were agreed to as COAs through the approval of Form 4 Sundry Notice, Doc #2516277:</p> <ol style="list-style-type: none"> 1. Large volume temporary storage tank will be placed on the cut side of the location expansion, not on fill material. 2. Only fresh water is permitted to be stored in large volume temporary storage tank(s); flowback or produced fluids shall not be placed in large volume temporary storage tanks. 3. Any tanks containing flowback and/or produced fluids shall be placed on a sufficiently impervious area of the pad with adequate secondary containment. 4. Dust mitigation shall be employed at the location and on the access road during construction, mobilization, and water hauling, and shall be employed for any spoils piles (including topsoil) and fill slopes.
Storm Water/Erosion Control	Storm water BMPs will be implemented for stormwater and sedimentary control.

Comment:**CA:****Date:**

Stormwater:

Erosion BMPs	Present	Other BMPs	Present

Corrective Action: _____ Date: _____

Comments: Erosion BMPs: _____

Other BMPs: _____

Comment: _____**Staking:****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:**Facility**

Facility ID: 428931 Type: WELL API Number: 041-06072 Status: DG Insp. Status: WO

Complaint

Comment: MET WITH DALE MEYERS, LANDOWNER/MINERAL OWNER, TO DISCUSS ISSUES LISTED IN COMPLAINT # 200372387. HE IS CONCERNED THAT MORE LAND IS BEING USED THAN ORIGINALLY LEASED. MR. MEYERS ALSO STATED THAT BASELINE WATER SAMPLES HAD NOT BEEN TAKEN IN A TIMELY MANNER. HE ALSO SAID HE WAS NOT CONTACTED ABOUT THE FRESHWATER SPILL, UNTIL HE HAD CONTACTED HILCORP ON ANOTHER MATTER.

Environmental**Spills/Releases:**

Type of Spill: _____ Description: _____ Estimated Spill Volume: _____

Comment: _____

Corrective Action: _____ Date: _____

Reportable: _____ GPS: Lat _____ Long _____

Proximity to Surface Water: _____ Depth to Ground Water: _____

Water Well:

DWR Receipt Num: _____ Owner Name: _____ GPS: _____ Lat _____ Long _____

Field Parameters:

Sample Location: _____

Complaint:

Tracking Num	Category	Assigned To	Description	Incident Date
200372387	BASELINE WATER REQUEST	LEONARD, MIKE	Mr. Myers said that Hilcorp supposedly took baseline water samples last July. When he requested the results he was told that the results had been lost. He said that Hilcorp then resampled water	12/21/2012
200372387	LAND USE CONFLICT	LEONARD, MIKE	Mr. Myers alleges that Hilcorp disturbed more acreage than originally agreed to.	12/21/2012
200372387	NOTIFICATION	LEONARD, MIKE	Mr. Myers said that Hilcorp did not notify him of the freshwater spill until he had contacted them on another issue 1 1/2 days after spill occurred.	12/21/2012
200372387	TRESPASS	LEONARD, MIKE	Mr. Myers said that when the drilling rig was moved off location it had been placed in his pasture without his consent.	12/21/2012

Emission Control Burner (ECB): _____

Comment: _____

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

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

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

Land Use: RANGELAND

Comment: _____

1003a. Debris removed? _____ CM _____

CA _____ CA Date _____

Waste Material Onsite? _____ CM _____

CA _____ CA Date _____

Unused or unneeded equipment onsite? _____ CM _____

CA _____ CA Date _____

Pit, cellars, rat holes and other bores closed? _____ CM _____

CA _____ CA Date _____

Guy line anchors removed? _____ CM _____

CA _____ CA Date _____

Guy line anchors marked? _____ CM _____

CA _____ CA Date _____

1003b. Area no longer in use? _____ 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 REVEGETATION

Inspector Name: LEONARD, MIKE

Cropland

Top soil replaced _____

Recontoured _____

Perennial forage re-established _____

Non-Cropland

Top soil replaced _____

Recontoured _____

80% Revegetation _____

1003 f. Weeds Noxious weeds? _____

Comment: _____

Overall Interim Reclamation _____

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 _____

Comment: _____

Corrective Action: _____

Date _____

Overall Final Reclamation _____

Multi-Well Location ☐

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Waddles	Fail					
Ditches	Fail					

S/U/V: **Unsatisfactory**

Corrective Date: **01/04/2013**

Comment: **COMPLY WITH ISSUED NOAV. WADDLES AND DITCHES ON IMPACTED PORTIONS OF LOCATION ARE FULL OF SEDIMENT.**

CA: **COMPLY WITH ISSUED NOAV PRIOR TO DATE LISTED ON noav.REMOVE SEDIMENT FROM INSTALLED WADDLES AND DITCHES PRIOR TO 01/04/2013**