

**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:

06/24/2013

Document Number:

671100137

Overall Inspection:

Unsatisfactory**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	299119	333316	Peterson, Tom	<input type="checkbox"/>	

Operator Information:

OGCC Operator Number: 8840 Name of Operator: BLUE CHIP OIL INC

Address: 155 E BOARDWALK DR STE 400

City: FORT COLLINS State: CO Zip: 80525

Contact Information:

Contact Name	Phone	Email	Comment
Mattox, Jennifer	303-692-3144	jennifer.mattox@state-co.us	environmental protection specialist
	(970) 493-6456	bluechipoil@msn.com	

Compliance Summary:

QtrQtr: NENE Sec: 12 Twp: 6N Range: 67W

Inspector Comment:

Separator venting gas to water vault.

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	
299114	WELL	PR	12/14/2011	OW	123-29265	KW 3	X
299115	WELL	PR	03/16/2011	OW	123-29266	KW 2	X
299117	WELL	XX	04/17/2012	LO	123-29267	KW 4	
299118	WELL	PR	02/16/2012	OW	123-29268	KW 5	X
299119	WELL	PR	04/10/2010	OW	123-29269	KW 1	X

Equipment:Location Inventory

Special Purpose Pits:	Drilling Pits: 1	Wells: 5	Production Pits:
Condensate Tanks:	Water Tanks: 1	Separators:	Electric Motors:
Gas or Diesel Motors:	Cavity Pumps:	LACT Unit:	Pump Jacks:
Electric Generators:	Gas Pipeline: 1	Oil Pipeline:	Water Pipeline:
Gas Compressors:	VOC Combustor: 1	Oil Tanks: 3	Dehydrator Units:
Multi-Well Pits:	Pigging Station:	Flare:	Fuel Tanks:

Location

Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
BATTERY	Unsatisfactory	Incomplete battery signs	Install sign to comply with rule 210.d.	07/29/2013
TANK LABELS/PLACARDS	Unsatisfactory	Incomplete placarding	Install sign to comply with rule 210.d.	07/29/2013
WELLHEAD	Satisfactory			

Inspector Name: Peterson, Tom

Emergency Contact Number: (S/U/V) Satisfactory

Corrective Date: _____

Comment: _____

Corrective Action: _____

Good Housekeeping:

Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
TRASH	Unsatisfactory	Oil soaked rags and miscellaneous trash inside tank berm and around separators	Clean up trash	07/29/2013

Spills:

Type	Area	Volume	Corrective action	CA Date
Crude Oil	Tank	<= 5 bbls	Remove or remediate oily soil under load line and valves. Repair all leaks.	07/29/2013
Crude Oil	Separator	<= 5 bbls	Remove or remediate oily soil under separator. Repair all leaks.	07/29/2013
Crude Oil	Truck Loadout	<= 5 bbls	Remove or remediate oily soil outside of south berm.	07/29/2013

☐ Multiple Spills and Releases?**Equipment:**

Type	#	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
Horizontal Heated Separator	2	Satisfactory	N40.50805 W104.83389		
Compressor	1	Satisfactory			
Flow Line	4	Satisfactory			
Emission Control Device	2	Satisfactory			
Gas Meter Run	1	Satisfactory	Multiple tube meter run		
Bird Protectors	4	Satisfactory			

Facilities:☐ New Tank

Tank ID: _____

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	3	<100 BBLS	PBV CONCRETE	,
S/U/V: Satisfactory	Comment: _____			
Corrective Action: _____				Corrective Date: _____

Paint

Condition	Adequate
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Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Inadequate	Walls Insufficient	Base Sufficient	Inadequate
Corrective Action	Rebuild berm			Corrective Date 07/29/2013
Comment	Berm walls knocked down			

Inspector Name: Peterson, Tom

Facilities:		<input type="checkbox"/> New Tank		Tank ID: _____	
Contents	#	Capacity	Type	SE GPS	
CRUDE OIL	4	300 BBLS	STEEL AST		
S/U/V:	Satisfactory		Comment: N40.50824 W104.83398		
Corrective Action:				Corrective Date:	
Paint					
Condition	Adequate				
Other (Content) _____					
Other (Capacity) _____					
Other (Type) _____					
Berms					
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Earth	Inadequate	Walls Insufficient	Base Sufficient	Inadequate	
Corrective Action	Rebulid berm			Corrective Date	07/29/2013
Comment	Berm walls knocked down				
Venting:					
Yes/No	Comment				
YES	Separator venting gas to water vault.				
Flaring:					
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date	

Predrill

Location ID: 333316

Site Preparation:

Lease Road Adeq.: _____ Pads: _____ Soil Stockpile: _____

Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:

Group	User	Comment	Date
Agency	scottp	Location is in a sensitive area because of shallow groundwater; therefore, either a lined drilling pit or closed loop system is required.	01/04/2010
Agency	scottp	Location is in a sensitive area because of close proximity to surface water, therefore, operator must ensure 110 percent secondary containment for any volume of fluids contained at well site during drilling and completion operations.	01/04/2010

Comment: _____

CA: _____ **Date:** _____

Wildlife BMPs:

BMP Type	Comment
PROPOSED BMPs	<p>BLUE CHIP OIL</p> <p>BEST MANAGEMENT PRACITCES SUMMARY</p> <p>Stormwater management plans (SWMP) are in place to ensure compliance with the Colorado Oil & Gas Conservation Commission and the Colorado Department of Health and Environment requirements. Blue Chip Oil utilizes sediment containment systems which include silt fencing, straw bales, berms, erosion control blankets, etc. BMP's used will vary according to site slopes, drainage patterns, and other site - specific conditions. A copy of the SWMP is kept on file in our office.</p> <p>Spill Prevention Plan is in place to address any spills associated with Blue Clip Oil's operations.</p> <p>Any waste and trash will removed from the site for disposal.</p> <p>Routine maintenance will be limited to fueling and lubrication of equipment.</p> <p>Drip Pans will be used during fueling and maintenance to contain spills or leaks.</p> <p>Hay bales will be placed as sound barriers on locations that are close to residence as required.</p>

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:

Inspector Name: Peterson, Tom

Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:

Facility

Facility ID: 299114 Type: WELL API Number: 123-29265 Status: PR Insp. Status: PR

Producing Well

Comment: PR

Facility ID: 299115 Type: WELL API Number: 123-29266 Status: PR Insp. Status: PR

Producing Well

Comment: PR

Facility ID: 299118 Type: WELL API Number: 123-29268 Status: PR Insp. Status: PR

Producing Well

Comment: PR

Facility ID: 299119 Type: WELL API Number: 123-29269 Status: PR Insp. Status: PR

Producing Well

Comment: PR

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:

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: DRY LAND

Comment:

1003a. Debris removed? Pass CM _____

CA _____ CA Date _____

Waste Material Onsite? Pass CM _____

CA _____ CA Date _____

Unused or unneeded equipment onsite? Pass CM _____

CA _____ CA Date _____

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

CA _____ CA Date _____

Guy line anchors removed? Pass CM _____

CA _____ CA Date _____

Guy line anchors marked? _____ CM _____

CA _____ CA Date _____

1003b. Area no longer in use? Pass Production areas stabilized ? Pass

1003c. Compacted areas have been cross ripped? _____

1003d. Drilling pit closed? Pass Subsidence over on drill pit? Pass

Cuttings management: _____

1003e. Areas no longer needed for drilling or subsequent operations for have been re-vegetated to 80% of pre-existing? In

Production areas have been stabilized? Pass Segregated soils have been replaced? Pass

RESTORATION AND REVEGETATION

Cropland

Top soil replaced Pass Recontoured Pass Perennial forage re-established In

Non-Cropland

Top soil replaced _____ Recontoured _____ 80% Revegetation _____

1003 f. Weeds Noxious weeds? P

Comment:

Overall Interim Reclamation In Process

Date Final Reclamation Started: _____	Date Final Reclamation Completed: _____
Final Land Use: <u>DRY LAND</u>	
Reminder: _____	
Comment: <div style="border: 1px solid black; height: 30px; width: 100%;"></div>	
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 _____

Inspector Name: Peterson, Tom

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
Gravel	Pass	Gravel	Pass	SI	Pass	

S/U/V: Satisfactory _____ Corrective Date: _____

Comment: _____

CA: _____

COGCC Comments

Comment	User	Date
Separator venting gas to water vault.	PetersoT	06/24/2013