

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:
	<u>299119</u>	<u>333316</u>	<u>Peterson, Tom</u>	<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	X
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: <u>1</u>	Wells: <u>5</u>	Production Pits: _____
Condensate Tanks: _____	Water Tanks: <u>1</u>	Separators: _____	Electric Motors: _____
Gas or Diesel Mortors: _____	Cavity Pumps: _____	LACT Unit: _____	Pump Jacks: _____
Electric Generators: _____	Gas Pipeline: <u>1</u>	Oil Pipeline: _____	Water Pipeline: _____
Gas Compressors: _____	VOC Combustor: <u>1</u>	Oil Tanks: <u>3</u>	Dehydrator Units: _____
Multi-Well Pits: _____	Pigging Station: _____	Flare: _____	Fuel Tanks: _____

Location

Signs/Marker:				
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

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			

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:

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:

Wellhead area requires reseeding

Overall Interim Reclamation In Process

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____ Date Final Reclamation Completed: _____

Final Land Use: DRY LAND

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 _____

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