

**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:

06/15/2013

Document Number:

668100200

Overall Inspection:

Unsatisfactory**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection
	335539	335539	KELLERBY, SHAUN	<input type="checkbox"/> 2A Doc Num: _____

Operator Information:

OGCC Operator Number: 10447 Name of Operator: URSA OPERATING COMPANY LLC

Address: 602 SAWYER STREET #710

City: HOUSTON State: TX Zip: 77007

Contact Information:

Contact Name	Phone	Email	Comment
Bleil, Rob		rbleil@ursaresources.com	Enviromental

Compliance Summary:

QtrQtr: NENW	Sec: 16	Twp: 6S	Range: 92W				
Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Unsatisfactory	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
05/30/2013	670200509			U			N
06/05/2012	668100095	AC	AO	S			N

Inspector Comment:**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name
291673	WELL	PR	06/30/2008	GW	045-14477	MCPHERSON A3
291678	WELL	XX	08/05/2011	LO	045-14474	McPherson A1
291679	WELL	PR	05/22/2012	GW	045-14475	McPherson A8
291680	WELL	PR	06/30/2008	GW	045-14476	MCPHERSON A4
298100	WELL	PR	05/17/2012	GW	045-17067	McPherson A6
298101	WELL	PR	09/03/2008	GW	045-17068	MCPHERSON A9
298102	WELL	PR		GW	045-17069	MCPHERSON A2
298103	WELL	PR	05/23/2012	GW	045-17070	McPherson A12
298104	WELL	PR	05/25/2012	GW	045-17071	McPherson A11
298105	WELL	PR	05/22/2012	GW	045-17072	McPherson A7
423421	WELL	XX	05/31/2011	LO	045-20750	McPherson A10

Equipment:Location Inventory

Inspector Name: KELLERBY, SHAUN

Special Purpose Pits: _____	Drilling Pits: _____	Wells: 11	Production Pits: _____
Condensate Tanks: 2	Water Tanks: 4	Separators: 3	Electric Motors: _____
Gas or Diesel Mortors: _____	Cavity Pumps: _____	LACT Unit: _____	Pump Jacks: _____
Electric Generators: _____	Gas Pipeline: 1	Oil Pipeline: 1	Water Pipeline: 1
Gas Compressors: _____	VOC Combustor: 1	Oil Tanks: _____	Dehydrator Units: _____
Multi-Well Pits: _____	Pigging Station: 1	Flare: _____	Fuel Tanks: _____

Location

Emergency Contact Number: (S/U/V) _____ Corrective Date: _____

Comment: _____

Corrective Action: _____

Spills:

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

Facilities: ☐ New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
CONDENSATE	6	300 BBLS	STEEL AST	,

S/U/V: **Unsatisfactory** Comment: Evidence of Enardo valve leaking on the production tanks. Operator Was contacted about leak on the same day of inspection.

Corrective Action: Replace and maintain all components of production equipment as needed. Corrective Date: 07/12/2013

Paint

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

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal	Adequate			Adequate

Corrective Action _____ Corrective Date _____

Comment _____

Venting:

Yes/No	Comment
YES	Evidence of Enardo valve leaking on the production tanks. Operator Was contacted about leak on the same day of inspection.

Flaring:

Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date

Predrill

Location ID: 335539

Site Preparation:

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

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

Form 2A COAs:

Group	User	Comment	Date
OGLA	kubeczkod	<p>GENERAL SITE COAs:</p> <p>Operator must implement best management practices to contain any unintentional release of fluids, including any fluids conveyed via temporary surface pipelines or buried pipelines.</p> <p>Any pit constructed to hold fluids (reserve pit, production pit, frac pit; except for flare pit, if built) must be lined, or a closed loop system (as indicated by operator on the Form 2A) must be implemented .</p> <p>Operator must ensure secondary containment for any volume of fluids contained at well site during drilling and completion operations; including, but not limited to, construction of a berm or diversion dike, diversion/collection trenches within and/or outside of berms/dikes, site grading, or other comparable measures (i.e., best management practices (BMPs) associated with stormwater management) sufficiently protective of nearby surface water. Any berm constructed at the well pad location will be stabilized, inspected at regular intervals (at least every 14 days), and maintained in good condition.</p> <p>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.</p> <p>Flowback and stimulation fluids must be sent to tanks to allow the sand to settle out before the fluids can be placed into any pipeline or pit located on the well pad. The flowback and stimulation fluid tanks must be placed on the well pad in an area with additional downgradient perimeter berming. The area where flowback fluids will be stored/reused must be constructed to be sufficiently impervious to contain any spilled or released material (per Rule 604.a.(4)).</p> <p>Berms or other containment devices shall be constructed in compliance with Rule 604.a.(4) around crude oil, condensate, and produced water storage tanks.</p>	05/10/2011

Comment:**CA:****Date:****Wildlife BMPs:**

BMP Type	Comment
Wildlife	<p>Wildlife Mitigation Plan Supplemental Best Management Practices Antero Rifle-Silt (Gravel Trend) Leasehold – March 24, 2010</p> <p>1.Drilling and Production No reserve, drill cuttings or frac/flowback pits will be constructed</p> <p>Well pads will be constructed with perimeter berm on downslope area</p> <p>Well pads, access roads will be graveled to reduce fugitive dust, sediment run-off</p> <p>Above-ground facilities will be located to minimize visual effects (e.g. production tanks will be low profile tanks and painted to mitigate visual impacts.)</p> <p>Combustor controls will be used to mitigate odors from production tanks</p> <p>Well completions will utilize flowback completion technologies and/or flares to reduce odors from plug drillout, and venting of salable and non-salable gas</p> <p>High level alarms will be installed on production tanks</p> <p>Production tank containment area will be lined with plastic</p> <p>2.Invasive Non-Native Vegetation Control</p>

Weed management plan will be developed and implemented to monitor and control noxious and invasive weeds

Noxious weed control includes three treatments per year

Existing weed infestations will be mapped prior to the development of each pad, access road and pipeline when practicable

Reclamation/revegetation will be used as a weed management tool

3.Planning Infrastructure and Development Activities

Directional drilling will be implemented to minimize habitat loss and habitat fragmentation

Remote monitoring using SCADA systems to reduce truck traffic, fugitive dust

Water pipeline infrastructure will be installed concurrently with the gas pipeline infrastructure where possible.

SPCC inspections will be conducted quarterly

Water used for well completions will be recycled as practicable

Baseline and post drilling/completion water well testing will be performed for permitted water wells within ½ mile of down-hole location

Annual planning meeting to be conducted with Rifle-Silt-New Castle Community

4.Stormwater Management

Facilities will be operated with a Water Quality Control Division (WQCD) stormwater construction permit.

Stormwater BMPs in accordance with the Stormwater Management Plan will be implemented in a manner that minimizes erosion, transport of sediment offsite, and site degradation.

Inspections will be conducted every two weeks or monthly and in accordance with WQCD General Permit to confirm that applicable BMPs are in place, maintained and functioning properly.

5.Public Water System Protection Section 317B(d)

Best management practices will be implemented to contain any unintentional releases of fluids for locations within 500 feet of surface water

Locations within 500 feet of surface water will ensure 110 percent secondary containment for any volume of fluids contained at a well site during drilling and completion operations

6.Mitigation Plan Best Management Practices

Mitigation Plan signed by Ron Velarde, CDOW NW Regional Manager and Kevin Kilstrom, Antero Resources VP Production, on March 24, 2010.

Closed loop (pitless) drilling system.

Participation in raptor and other birds (great blue heron) monitoring and surveying with protocol to be developed by CDOW and implemented by Antero when practicable.

Buried water and gas pipelines as means to reduce truck traffic.

Seasonal raptor RSOs for species not included in new COGCC rules will be considered where practicable.

Avoidance/seclusion area in the northeast corner of the CDP (Burning Mountain) unless lease expiration warrants development.

Restricted rig operation to less than 2 per section within the big game seclusion areas during the winter (to be determined in consultation with CDOW).

Maintaining a ¼ mile no surface occupancy buffer around active bald eagle nests.

New pad construction not to exceed 3 acres.

Pad density not to exceed 1 pad per 120 acres.

Bury all gas and water pipelines adjacent to roads whenever possible.

The mitigation opportunities/projects will be defined by the Mitigation Plan for each well pad.

The mitigation opportunities/projects will be determined cooperatively with the CDOW during the annual Antero Mitigation Plan Review.

CDOW Actions to Minimize Adverse Impacts to Wildlife Resources is attached to the March 22, 2010 Mitigation Plan

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:**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: _____ Lat _____ Long _____
 GPS : _____

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: 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 REVEGETATIONCropland

Top soil replaced _____ Recontoured _____ Perennial forage re-established _____

Non-Cropland

Top soil replaced _____ Recontoured _____ 80% Revegetation _____

1003 f. Weeds Noxious weeds? _____

Inspector Name: KELLERBY, SHAUN

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

S/U/V: _____

Corrective Date: _____

Comment:

CA: