

<b>FORM INSP</b> Rev 05/11	<b>State of Colorado</b> <b>Oil and Gas Conservation Commission</b> 1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109		DE ET OE ES
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Inspection Date: 08/13/2013

Document Number: 671100305

Overall Inspection: Satisfactory

**FIELD INSPECTION FORM**

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

**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
Hager, Tim	(970) 493-6456	bluechipoil@msn.com	

**Compliance Summary:**

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

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Unsatisfactory	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
06/24/2013	671100137	PR	PR	U	I		N

**Inspector Comment:**

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**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	Satisfactory			

Inspector Name: Peterson, Tom

TANK LABELS/PLACARDS	Satisfactory			
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Emergency Contact Number: (S/U/V) Satisfactory 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
CRUDE OIL		300 BBLs	STEEL AST	,
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	Adequate	Walls Sufficient	Base Sufficient	Adequate
Corrective Action				Corrective Date
Comment				

**Facilities:**  New Tank Tank ID: \_\_\_\_\_

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER		<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	Adequate	Walls Sufficient	Base Sufficient	Adequate
Corrective Action				Corrective Date
Comment				

<b>Facilities:</b>		<input type="checkbox"/> New Tank	Tank ID: _____	
Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	1	300 BBLS	FIBERGLASS AST	,
S/U/V:	Satisfactory	Comment:	Same GPS coordinates as crude oil tanks	
Corrective Action:				Corrective Date:
<b>Paint</b>				
Condition	Adequate			
Other (Content)	_____			
Other (Capacity)	_____			
Other (Type)	_____			
<b>Berms</b>				
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate	Walls Sufficient	Base Sufficient	Adequate
Corrective Action				Corrective Date
Comment				
<b>Venting:</b>				
Yes/No	Comment			
NO				
<b>Flaring:</b>				
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 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
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

**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 &amp; 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: \_\_\_\_\_

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 \_\_\_\_\_

Weeds present \_\_\_\_\_ Subsidence \_\_\_\_\_

Comment: \_\_\_\_\_

Inspector Name: Peterson, Tom

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: \_\_\_\_\_