

**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



|    |    |    |    |
|----|----|----|----|
| DE | ET | OE | ES |
|----|----|----|----|

Inspection Date:

04/03/2014

Document Number:

668301094

Overall Inspection:

**Violation****FIELD INSPECTION FORM**

|                     |             |        |                  |  |
|---------------------|-------------|--------|------------------|--|
| Location Identifier | Facility ID | Loc ID | Inspector Name:  | On-Site Inspection                         |
|                     | 239838      | 317714 | JOHNSON, RANDELL | <input type="checkbox"/> 2A Doc Num: _____ |

**Operator Information:**

OGCC Operator Number:

Name of Operator: SUNDANCE ENERGY INC

Address: 633 17TH STREET #1950

City: DENVER State: CO Zip: 80202

☐ THIS IS A FOLLOW UP INSPECTION☒ FOLLOW UP INSPECTION REQUIRED☐ NO FOLLOW UP INSPECTION REQUIRED☒ INSPECTOR REQUESTS FORM 42 WHEN CORRECTIVE ACTIONS ARE COMPLETED**Contact Information:**

| Contact Name      | Phone        | Email                        | Comment             |
|-------------------|--------------|------------------------------|---------------------|
| Robinson, Julia   | 303-543-5700 | jrobinson@sundanceenergy.net | Operations Tech     |
| Petrik, Ann       | 303-543-5700 | apetrik@sundanceenergy.net   | Operations Tech     |
| Thulin, Kevin     | 303-543-5702 | kthulin@sundanceenergy.net   | Production Engineer |
| ELLSWORTH, STUART |              | stuart.ellsworth@state.co.us |                     |

**Compliance Summary:**

|              |           |            |             |                              |          |                |                 |
|--------------|-----------|------------|-------------|------------------------------|----------|----------------|-----------------|
| QtrQtr: NESE | Sec: 32   | Twp: 2N    | Range: 67W  |                              |          |                |                 |
| Insp. Date   | Doc Num   | Insp. Type | Insp Status | Satisfactory /Unsatisfactory | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
| 04/16/2007   | 200111542 | PR         | PR          | Unsatisfactory               |          | Fail           | Yes             |
| 09/25/1998   | 500161506 | PR         | SI          |                              |          |                |                 |
| 09/08/1998   | 500161505 | PR         | PR          |                              |          | Fail           | Yes             |
| 01/24/1996   | 500161504 | PR         | PR          |                              |          | Fail           | Yes             |

**Inspector Comment:****Related Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num   | Facility Name   | Insp Status                            |
|-------------|------|--------|-------------|------------|-----------|-----------------|--|
| 119902      | PIT  |        | 09/23/1999  |            | -         | HALEY GUMESON 2 | <input type="checkbox"/>               |
| 239838      | WELL | PR     | 02/15/1973  | OW         | 123-07626 | HALEY 1         | SI <input checked="" type="checkbox"/> |

**Equipment:****Location Inventory**

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

**Location**Emergency Contact Number: (S/U/V) UnsatisfactoryCorrective Date: 05/03/2014Comment: Conflicting/incorrect emergency contact information signage at wellhead/See attached photo on last page of documentCorrective Action: Provide correct signage at wellhead to reflect current operator and emergency contact information**Spills:**

| Type  | Area     | Volume    | Corrective action   | CA Date    |
|-------|----------|-----------|---|------------|
| Other | WELLHEAD | <= 5 bbls | Hydraulic fluid spill at accumulator tank/See attached photo on last page of document/Remove or remediate contaminated soil | 05/03/2014 |

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

| Type                | # | Satisfactory/Unsatisfactory | Comment  | Corrective Action | CA Date |
|---------------------|---|-----------------------------|--|-------------------|---------|
| Ancillary equipment |   | Satisfactory                | Electrical transformers, breaker panel and meter box |                   |         |
| Other               | 1 |                             | Hydraulic fluid accumulator tank                     |                   |         |
| Other               | 1 | Satisfactory                | Hydraulic pumping unit                               |                   |         |

**Facilities:**☐ New Tank

Tank ID: \_\_\_\_\_

| Contents | # | Capacity | Type                | SE GPS                |
|----------|---|----------|---------------------|-----------------------|
|          |   |          | CENTRALIZED BATTERY | 40.092830,-104.908190 |

S/U/V: Satisfactory Comment: See related inspection document #668301087 for information concerning shared facilities and equipment

Corrective Action: \_\_\_\_\_

Corrective Date: \_\_\_\_\_

**Paint**

|           |          |
|-----------|----------|
| Condition | Adequate |
|-----------|----------|

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 \_\_\_\_\_

**Venting:**

|        |         |
|--------|---------|
| Yes/No | Comment |
| NO     |         |

**Flaring:**

| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
|------|-----------------------------|---------|-------------------|---------|
|      |                             |         |                   |         |

**Predrill**

Location ID: 239838

**Site Preparation:**

Lease Road Adeq.: \_\_\_\_\_ Pads: \_\_\_\_\_ Soil Stockpile: \_\_\_\_\_

**S/U/V:** \_\_\_\_\_

Corrective Action: \_\_\_\_\_ Date: \_\_\_\_\_ CDP Num.: \_\_\_\_\_

**Form 2A COAs:****S/U/V:** \_\_\_\_\_ **Comment:** \_\_\_\_\_**CA:** \_\_\_\_\_ **Date:** \_\_\_\_\_**Wildlife BMPs:****S/U/V:** \_\_\_\_\_ **Comment:** \_\_\_\_\_**CA:** \_\_\_\_\_ **Date:** \_\_\_\_\_**Stormwater:****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: 239838 Type: WELL API Number: 123-07626 Status: PR Insp. Status: SI

**Idle Well**Purpose: ☒ Shut In ☐ Temporarily Abandoned Reminder: \_\_\_\_\_S/V: ViolationCA Date: 05/03/2014CA: Well must be either:1) Per COGCC Rule 326.b.(1) a successful mechanical integrity test shall be performed on each shut-in well within two (2) years of the initial shut-in date or2) Be properly plugged and abandoned . Shut-in and temporarily abandoned wells must be properly reported on COGCC Form 7, Operator's Monthly Production Report.Comment: Production records indicate that this well has been shut in, with no production, since July 2010 without performing a mechanical integrity test.**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: \_\_\_\_\_

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? \_\_\_\_\_ 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? Pass

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

#### RESTORATION AND REVEGETATION

##### 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 Pass

#### **Final Reclamation/ Abandoned Location:**

Date Final Reclamation Started: \_\_\_\_\_ Date Final Reclamation Completed: \_\_\_\_\_

Final Land Use: \_\_\_\_\_

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 \_\_\_\_\_ Well Release on Active Location ☐ Multi-Well Location ☐

#### **Storm Water:**

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment    |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|------------|
| Other            | Pass            | Other                   | Pass                  |               |                          | Vegetation |
| Compaction       | Pass            | Compaction              | Pass                  |               |                          |            |
| Gravel           | Pass            | Gravel                  | Pass                  |               |                          |            |

Inspector Name: JOHNSON, RANDELL

S/U/V: Satisfactory Corrective Date: \_\_\_\_\_

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

CA: \_\_\_\_\_

Pits: ☒ NO SURFACE INDICATION OF PIT

#### COGCC Comments

| Comment   | User     | Date       |
|---|----------|------------|
| Production records indicate this well has been shut in, with no production, since July 2010 without the required mechanical integrity test. | johnsonr | 04/03/2014 |

#### Attached Documents

You can go to COGCC Images (<https://cogcc.state.co.us/weblink/>) and search by document number:

| Document Num | Description                        | URL   |
|--------------|------------------------------------|---|
| 668301095    | Sundance - Haley 1 (123-07626) - 1 | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3314284">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3314284</a> |
| 668301096    | Sundance - Haley 1 (123-07626) - 2 | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3314285">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3314285</a> |
| 668301097    | Sundance - Haley 1 (123-07626) - 3 | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3314286">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3314286</a> |