

**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:

04/08/2014

Document Number:

673702194

Overall Inspection:

Unsatisfactory**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection
	<u>209703</u>	<u>322206</u>	<u>Sherman, Susan</u>	<input type="checkbox"/> 2A Doc Num: _____

Operator Information:

OGCC Operator Number:

Name of Operator: LILIS ENERGY INCAddress: 1900 GRANT ST STE 720City: DENVER State: CO Zip: 80203

- ☐ 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
Ullwelling, Eric	(303) 951-7929	eulwelling@lilisenergy.com	
Lockhart, Jennifer		jlockhart@lilisenergy.com	

Compliance Summary:QtrQtr: SWSE Sec: 10 Twp: 6S Range: 64W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Unsatisfactory	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
10/23/2012	668200277	PR	PR	Satisfactory	P		No
02/07/2011	200295232	PR	PR	Satisfactory			No
11/09/2010	200283744	PR	PR	Unsatisfactory			Yes
01/30/2006	200088217	PR	PR	Satisfactory		Pass	No
08/30/1995	500141636	PR	PR			Pass	No
06/20/1995	500141635	PR	PR			Fail	Yes

Inspector Comment:**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
209703	WELL	SI	03/13/2013	OW	039-06608	COGGINS 10-34	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

Signs/Marker:				
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
TANK LABELS/PLACARDS	Unsatisfactory	Treater not labeled at on 10/23/12 inspection.	Install sign to comply with rule 210.	05/01/2014
WELLHEAD	Satisfactory	No sign at well near battery location.		
BATTERY	Unsatisfactory	Battery sign has Recovery Energy Inc. and (888) 887-4449.	Install sign to comply with rule 210.	05/01/2014

Emergency Contact Number: (S/U/V) Unsatisfactory Corrective Date: 05/01/2014

Comment: (303) 293-9158-disconnected or no longer in service. Called number and they will fix the phone.

Corrective Action: Live person to answer phone 24/7/365.

Good Housekeeping:				
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
WEEDS	Unsatisfactory	Near wellhead (see attached photo).	Maintain.	05/01/2014
UNUSED EQUIPMENT	Unsatisfactory	Metal plate next to tanks, N side (see attached photo).	Remove.	05/01/2014

Spills:				
Type	Area	Volume	Corrective action	CA Date
Crude Oil	Tank	<= 5 bbls	Remove and remediate stained soils at tank battery (see attached photo). Clean oil from side of tank (see attached photo).	04/18/2014

☐ Multiple Spills and Releases?

Fencing/:				
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
SEPARATOR	Satisfactory	barbed wire		
WELLHEAD	Satisfactory	steel panels		
TANK BATTERY	Satisfactory	barbed wire		

Equipment:					
Type	#	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
Horizontal Heater Treater	1	Unsatisfactory	Rills carrying sediment into drainage (see attached photo).	Install stormwater BMPs to prevent erosion.	05/01/2014
Gas Meter Run	1	Satisfactory	With solar telemetry.		
Bird Protectors	2	Satisfactory	On treater and PW tank.		
Plunger Lift	1	Satisfactory			

Inspector Name: Sherman, Susan

Facilities:		<input type="checkbox"/> New Tank	Tank ID: _____	
Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	1	OTHER	FIBERGLASS AST	,
S/U/V:			Comment: same berms as crude oil tanks.	
Corrective Action:			Corrective Date:	

Paint

Condition	
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Other (Content) _____

Other (Capacity) 150 bbls _____

Other (Type) _____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance

Corrective Action			Corrective Date	
Comment				

Facilities:		<input type="checkbox"/> New Tank	Tank ID: _____	
Contents	#	Capacity	Type	SE GPS
CRUDE OIL	2	300 BBLS	STEEL AST	39.537480,-104.538790
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	Maintain berms	Corrective Date	05/01/2014
Comment	animal holes		

Venting:		
Yes/No	Comment	

Flaring:				
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date

Inspector Name: Sherman, Susan

Predrill

Location ID: 209703

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: 209703 Type: WELL API Number: 039-06608 Status: SI Insp. Status: SI

Idle Well

Purpose: ☒ Shut In ☐ Temporarily Abandoned Reminder: _____

S/V: _____ CA Date: _____

CA: _____

Comment: SI since Jan 2013

Environmental

Spills/Releases:

Type of Spill: _____ Description: _____ Estimated Spill Volume: _____

Inspector Name: Sherman, Susan

Comment:

Corrective Action:

Date:

Reportable:

GPS: Lat

Long

Proximity to Surface Water:

Depth to Ground Water:

Water Well:

Lat

Long

DWR Receipt Num:

Owner Name:

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:

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 REVEGETATION

Cropland

Top soil replaced _____

Recontoured _____

Perennial forage re-established _____

Inspector Name: Sherman, Susan

Non-Cropland

Top soil replaced _____ Recontoured _____ 80% Revegetation _____

1003 f. Weeds Noxious weeds? _____

Comment: _____

Overall Interim Reclamation _____

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
Gravel	Pass	Gravel	Pass			
Compaction	Fail	Compaction	Pass	MHSP	Pass	

S/U/V: **Unsatisfactory** Corrective Date: **05/01/2014**

Comment: **Rills forming from battery near drainage (see attached photo).**

CA: **Install stormwater BMPs to prevent erosion and offsite transport of sediment into drainage.**

Pits: ☒ NO SURFACE INDICATION OF PIT

Attached Documents

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

Document Num	Description	URL
673702221	Lilis Coggins 10-34 Battery	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3318942
673702222	Lilis Coggins 10-34 Battery	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3318943
673702223	Lilis Coggins 10-34 Battery	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3318944
673702224	Lilis Coggins 10-34 Battery	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3318945
673702225	Lilis Coggins 10-34 Battery	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3318946
673702226	Lilis Coggins 10-34 Battery	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3318947
673702227	Lilis Coggins 10-34 Battery	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3318948

Inspector Name: Sherman, Susan

673702229	Lilis Coggins 10-34 well	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3318949
673702230	Lilis Coggins 10-34 well	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3318950
673702231	Lilis Coggins 10-34 well	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3318951