

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:
06/29/2014

Document Number:
663903393

Overall Inspection:

ACTION REQUIRED

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>437097</u>	<u>437097</u>	<u>LONGWORTH, MIKE</u>	<input type="checkbox"/>	

Operator Information:

OGCC Operator Number:	<u>96850</u>
Name of Operator:	<u>WPX ENERGY ROCKY MOUNTAIN LLC</u>
Address:	<u>1001 17TH STREET - SUITE #1200</u>
City:	<u>DENVER</u> State: <u>CO</u> Zip: <u>80202</u>

- 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
Kellerby, Shaun		shaun.kellerby@state.co.us	
Brady, Scott	(970) 285-9377	Lowell.Brady@WPXEnergy.com	Drilling Super Intendent
Gardner, Michael	970/285-9377 ext. 2760	Michael.Gardner@WPXEnergy.com	Principal Environmental Specialist

Compliance Summary:

QtrQtr: SESW Sec: 6 Twp: 7S Range: 95W

Inspector Comment:

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
437091	WELL	XX	05/06/2014		045-22406	Hicks PA 444-6	ND	<input checked="" type="checkbox"/>
437092	WELL	XX	05/06/2014		045-22407	Hicks PA 544-6	ND	<input checked="" type="checkbox"/>
437093	WELL	XX	05/06/2014		045-22408	Hicks PA 333-6	ND	<input checked="" type="checkbox"/>
437094	WELL	DG	06/25/2014		045-22409	Hicks PA 44-6	DG	<input checked="" type="checkbox"/>
437095	WELL	XX	05/06/2014		045-22410	Hicks PA 34-6	ND	<input checked="" type="checkbox"/>
437096	WELL	XX	05/06/2014		045-22411	Hicks PA 43-6	ND	<input checked="" type="checkbox"/>
437098	WELL	XX	05/06/2014		045-22412	Hicks PA 343-6	ND	<input checked="" type="checkbox"/>
437099	WELL	XX	05/06/2014		045-22413	Hicks PA 33-6	ND	<input checked="" type="checkbox"/>

Equipment:

Location Inventory

Special Purpose Pits: _____	Drilling Pits: _____	Wells: <u>8</u>	Production Pits: _____
Condensate Tanks: <u>2</u>	Water Tanks: <u>2</u>	Separators: <u>8</u>	Electric Motors: _____
Gas or Diesel Mortors: _____	Cavity Pumps: _____	LACT Unit: _____	Pump Jacks: _____
Electric Generators: _____	Gas Pipeline: _____	Oil Pipeline: _____	Water Pipeline: _____
Gas Compressors: _____	VOC Combustor: <u>1</u>	Oil Tanks: _____	Dehydrator Units: _____
Multi-Well Pits: _____	Pigging Station: _____	Flare: _____	Fuel Tanks: _____

Location

Signs/Marker:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
TANK LABELS/PLACARDS	SATISFACTORY			
CONTAINERS	SATISFACTORY	Several labels need cleaned off so they are readable		
DRILLING/RECOMP	SATISFACTORY	Sign at secondary gated entry. Need sign at primary.		

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

Comment: _____

Corrective Action: _____

Good Housekeeping:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
DEBRIS	ACTION REQUIRED	Card board boxes blown off the edge of location. Broken pallet debri with nails.	Pick up debri	06/30/2014

Spills:

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

Venting:

Yes/No	Comment

Flaring:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Predrill

Location ID: 437097

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

S/A/V: _____
 Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:

Group	User	Comment	Date
OGLA	kubeczkd	<p>A closed loop drilling system must be implemented during drilling (as indicated by operator on the Form 2A).</p> <p>Pits are not allowed, except fresh water storage pits, reserve pits to drill surface casing, and emergency pits as defined in the 100-Series Rules. Any freshwater pit at this location shall require prior approval of a Form 15 pit permit, and be equipped with a pit level indicator..</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, if drill cuttings are to remain/disposed of onsite, they must also meet the applicable standards of table 910-1.</p> <p>Flowback and stimulation fluids must be sent to tanks, separators, or other containment/filtering equipment before the fluids can be placed into any pipeline or storage vessel; or into tanker trucks for offsite disposal. The flowback and stimulation fluid tanks, separators, or other containment/filtering equipment must be placed on the well pad in an area constructed to be sufficiently impervious to contain any spilled or released material and with additional downgradient perimeter berming.</p>	04/08/2014
OGLA	kubeczkd	<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 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>Berms or other containment devices shall be constructed to be sufficiently impervious (steel with poly liner) to contain any spilled or released material around permanent crude oil, condensate, and produced water storage tanks.</p>	04/08/2014
OGLA	kubeczkd	<p>Notify the COGCC 48 hours prior to start of pad construction, rig mobilization, spud, pit construction (if applicable), pit liner installation (if applicable), start of hydraulic stimulation operations, and start of flowback operations using Form 42 (the appropriate COGCC individuals will automatically be email notified, including the LGD for hydraulic stimulation operations).</p>	04/08/2014

<p>OGLA</p>	<p>kubeczkd</p>	<p>Operator shall pressure test pipelines in accordance with Rule 1101.e.(1) prior to putting into initial service any temporary surface or permanent buried pipelines and following any reconfiguration of the pipeline network. Operator shall notify the COGCC Oil and Gas Location Assessment (OGLA) Specialist for Western Colorado (Dave Kubeczko; email dave.kubeczko@state.co.us) and the COGCC Field Inspection Supervisor for Northwest Colorado (Shaun Kellerby; email shaun.kellerby@state.co.us) 48 hours prior to testing surface or buried poly/steel pipelines.</p> <p>Operator must routinely inspect the entire length of the surface pipeline to ensure integrity. Operator shall conduct daily inspections of surface poly pipeline routes for leaks during active transfer of fluids and implement best management practices to contain any unintentional release of fluids along all portions of the surface pipeline route where temporary pumps and other necessary equipment are located. Inspections shall be conducted by viewing the length of the pipeline; operator will endeavor to minimize surface disturbance during pipeline monitoring. The operator shall maintain records of inspections, findings and repairs, if necessary, for the life of the pipelines. In addition, pump stations along the surface poly or steel pipeline route will be continuously monitored when operating in order to swiftly respond to such a failure.</p> <p>Operator must ensure no release of fluids at all stream, intermittent stream, ditch, and drainage crossings. For these crossings: operator will ensure appropriate containment by either installing over-sized pipe "sleeves" which extend the length of the crossing and beyond to a distance deemed adequate to capture and/or divert any possible release of fluids and prevent fluids from reaching the stream or drainage; or installing over-sized pipe "sleeves" which extend the length of the crossing and installing shut off valves on either side of crossing instead of catchment basins.</p> <p>Operator will utilize, to the extent practical, all existing access and other public roads, and/or existing pipeline right-of-ways, when placing/routing the surface pipelines.</p>	<p>04/08/2014</p>
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S/A/V: SATISFACTORY **Comment:** Cuttings going in open trench. Keep piles as low as reasonable, minimize slosh and spilling in mud transfer to trench. Notices being received of work operations.

CA: **Date:** _____

Wildlife BMPs:

BMP Type	Comment
Traffic control	<p>The rig traffic will take Hwy 6 east from CR 215 near the southern off-ramp from I-70. From Hwy 6, the rig will take a short state road south that leads to the pad. Pilot cars, in either case, will be used to get the larger rig traffic to location.</p> <p>Applicable County and state permits will be acquired 1-2 weeks prior to moving rig on location.</p>
Pre-Construction	Strip and segregate topsoil prior to construction. Appropriately configure topsoil piles and immediately seed to control erosion, prevent weed establishment and maintain soil microbial activity.
Noise mitigation	<p>Background noise: Hwy I-70 is approximately <300' from location.</p> <p>Plumb dump lines into tanks to muffle sound.</p> <p>Rubber cushions in lubricators are used to muffle sound for plunger lift.</p>
Planning	<p>This pad was planned in close cooperation with the landowner in order to take advantage of using an area that is already planned to be used for industrial purposes.</p> <p>Maximize the utility of surface facilities by developing multiple wells from a single pad (directional drilling), and by co-locating multipurpose facilities (for example, well pads and compressors) to avoid unnecessary habitat fragmentation and disturbance of additional geographic areas.</p> <p>Maximize the use of directional drilling to minimize habitat loss/fragmentation.</p> <p>Maximize use of remote telemetry for well monitoring to minimize traffic.</p>

General Housekeeping	All garbage and trash will be stored in enclosed trash containers and removed and deposited in an approved sanitary landfill within one week following termination of drilling operations. No garbage or trash will be disposed of in the cuttings management area. The well site and access road will be kept free of trash and debris at all times.
Emissions mitigation	Combusters and we use API tanks with thief hatches and enardo valves and pipe everything to the combustion unit.
Drilling/Completion Operations	<p>Water for completions operations will be piped from an existing water pit which will reduce truck traffic. Conduct well completions with drilling operations to limit the number of rig moves and traffic.</p> <p>1. The flowlines we use are 2" flowline capable of 6bbl/min flow rates per line, The psi rating is 15,000psi and the manifolds are 3" 15,000psi; The primary separator is a 4 phase separator capable of 90 MMCF/day and 13,956 bbls per day with a 1.25" discharge orifice; The sand trap intakes and outputs are limited by the 2" flowlines ran to them. We have a bullet tank AKA a pee tank that is capable of moving 23 MMCF/day with 13,956 bbls/day this tank is used for catching fugitive gas which is burned via flare or combuster. Water from the bullet tank is sent to the Hydrocarbon Recovery Tank where it is allowed to go atmospheric and be flashed. 2. The Flare stack we are using is rated for 98 MMCF/day they are built to exceed Primary separators gas capacity(90MMCF/day) it has propane to insure a pilot is ignited at all times. The largest well in the area is our Niobrara with an IP of 16 MMCF/day the average Mesa Verde is choke to flow around 1-1.2MMCF/day if they have the bottomhole psi to achieve that. 3. Proven production can be demonstrated with the following pads GM 44-1, SG 18-23, GV 8-14 and GM 313-12.</p>
Storm Water/Erosion Control	On-site and offsite erosion control, re-vegetation of disturbed areas and source and storage of topsoil BMP's will be installed prior to, during and immediately following construction as practicable with consideration given to safety, access, and ground conditions at the time of construction. Due to the nature of the topography at various sites, any number of BMP combinations may be utilized at any phase of the project. Constant efforts will be employed to limit the extent of vegetative disturbance at the time of soil exposure during all construction activities and structural BMP implementation. Stormwater is addressed under a field-wide CDPHE plan/permit.
Construction	Salvage topsoil from all road construction and other rights-of-way and re-apply during interim and final reclamation.
Wildlife	<p>Use only certified weed-free native seed in seed mixes, except for non-native plants that benefit wildlife. Install exclusionary devices to prevent bird and other wildlife access to equipment stacks, vents and openings. Reduce visits to well-sites through remote monitoring (i.e. SCADA) and the use of multi-function contractors. By using an existing pad we have minimized the number, size and distribution of well pads and locate pads along existing roads where possible. Water for completions operations will be piped from an existing water pit which will reduce truck traffic.</p>
Final Reclamation	WPX will complete final reclamation activities so that seeding occurs during the first optimal season following plugging and abandonment of oil and gas wells.
Material Handling and Spill Prevention	Automated high tank alarms are installed on tanks along with emergency shut down systems. In addition to 2-3 times/week onsite inspections by pumpers they also have routine quarterly checklists that are filled out and kept on file regarding dump line/flow line pressures and also a checklist done for everthing regarding compliance at the wellhead and production equipment. Pallets and materials (drilling and production materials and supplies) that are stored on the pallets are kept > 25' from wellheads during production and drilling operations.
Odor mitigation	WPX uses Combusters and API tanks with thief hatches and enardo valves and pipe everything to the combustion unit.
Dust control	Fugitive dust control will be implemented during all phases of operations on an as-needed basis.

Interim Reclamation
 Remove well pad and road surface materials that are incompatible with post-production land use and re-vegetation requirements.
 Use only certified weed-free native seed in seed mixes, except for non-native plants that benefit wildlife.
 WPX Energy will use certified, weed free grass hay, straw, hay or other mulch materials used for the reseeded and reclamation of disturbed areas.
 Install exclusionary devices to prevent bird and other wildlife access to equipment stacks, vents and openings.
 Reduce visits to well-sites through remote monitoring (i.e. SCADA) and the use of multi-function contractors.

As soon as possible after (within 6 mos) well is placed on first sales perform interim reclamation on all disturbed areas not needed for active support of production operations or areas intended to keep unreclaimed per the landowner SUA.
 Seed during appropriate season to increase likelihood of reclamation success.
 Conduct seeding in a manner that ensures that seedbed preparation and planting techniques are targeted toward the varied needs of grasses, forbs and shrubs (e.g., seed forbs and shrubs separately from grasses, broadcast big sagebrush but drill grasses, etc.).

S/AV: SATISFACTORY **Comment:** No Large equipment/vehicles arriving or leaving at time of inspection.

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:	437091	Type:	WELL	API Number:	045-22406	Status:	XX	Insp. Status:	ND
Facility ID:	437092	Type:	WELL	API Number:	045-22407	Status:	XX	Insp. Status:	ND
Facility ID:	437093	Type:	WELL	API Number:	045-22408	Status:	XX	Insp. Status:	ND
Facility ID:	437094	Type:	WELL	API Number:	045-22409	Status:	DG	Insp. Status:	DG

Complaint

Comment: Follow up on a vapor complainant.

Well Drilling

Rig: Rig Name: _____ Pusher/Rig Manager: Josh Garibay
 Permit Posted: SATISFACTORY Access Sign: SATISFACTORY

Well Control Equipment:

Pipe Ram: YES Blind Ram: YES Hydril Type: YES
 Pressure Test BOP: Pass Test Pressure PSI: 3000 Safety Plan: YES

Drill Fluids

Management:

Lined Pit: _____ Unlined Pit: _____ Closed Loop: YES Semi-Closed Loop: _____
 Multi-Well: YES Disposal Location: _____

Comment:

Drilling production @ 5670'

Facility ID: 437095 Type: WELL API Number: 045-22410 Status: XX Insp. Status: ND

Facility ID: 437096 Type: WELL API Number: 045-22411 Status: XX Insp. Status: ND

Facility ID: 437098 Type: WELL API Number: 045-22412 Status: XX Insp. Status: ND

Facility ID: 437099 Type: WELL API Number: 045-22413 Status: XX Insp. Status: ND

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: _____

Complaint:

Tracking Num	Category	Assigned To	Description	Incident Date
200408204	AIR QUALITY	LONGWORTH, MIKE	Vapor cloud over rig	06/29/2014

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: INDUSTRIAL

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 _____

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: INDUSTRIAL

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
Compaction	Pass	Compaction	Pass	VT	Pass	Road recently wet down
Berms	Pass	Culverts	Pass	CM	Fail	Keep materials covered when not in use.
Ditches	Pass	Ditches	Pass	MHSP	Fail	Dry materials under silo.
Gravel	Pass	Gravel	Pass			

S/A/V: **ACTION REQUIRED** Corrective Date: **06/30/2014**

Comment: **Secondary containment under stored liquids has side walls laying down.**

CA: **Keep materials off ground and covered. Ensure the walls of the containment are up and secured.**

Pits: NO SURFACE INDICATION OF PIT