

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:
11/25/2014

Document Number:
667700470

Overall Inspection:

ALLEGED VIOLATION

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>436893</u>	<u>378717</u>	<u>LABOWSKIE, STEVE</u>	<input type="checkbox"/>	

Operator Information:

OGCC Operator Number:	<u>69805</u>
Name of Operator:	<u>PETROX RESOURCES INC</u>
Address:	<u>P O BOX 2600</u>
City:	<u>MEEKER</u> State: <u>CO</u> Zip: <u>81641</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
Ash, Margaret		margaret.ash@state.co.us	
Gowen, Peter		peter.gowen@state.co.us	
Roy, Catherine		catherine.roy@state.co.us	
Arthur, Denise		denise.arthur@state.co.us	
Fischer, Alex		alex.fischer@state.co.us	
Hughes, Jim		jimo.hughes@state.co.us	
Stanczyk, Jane		jane.stanczyk@state.co.us	
Clark, Mike	(970)878-5594	mike.petroxcbm@gmail.com	Owner
Deranleau, Greg		greg.deranleau@state.co.us	
Nystrom, Dusty	(505) 330-1328/ (719) 529-0682	nystrw@yahoo.com	Field Representative

Compliance Summary:

QtrQtr:	<u>SWNW</u>	Sec:	<u>21</u>	Twp:	<u>33N</u>	Range:	<u>5W</u>
Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
08/06/2014	674600730	XX	DG	SATISFACTORY			No

Inspector Comment:

Well appears to have been completed, wellhead installed. No Form 5/5A in well file. Operator needs to submit or follow-up with permitting if form has been submitted. See "COA" and "rec-stormwater-pit" sections for corrective actions required and details about Alleged Violations.

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
301885	WELL	PR	03/04/2010	GW	007-06276	WRIGHT 33-5 21-1	PR <input checked="" type="checkbox"/>
436893	WELL	DG	08/04/2014		007-06316	Dakota 33-5 #21-3	SI <input checked="" type="checkbox"/>

Equipment:

Location Inventory

Special Purpose Pits: _____	Drilling Pits: <u>1</u>	Wells: <u>2</u>	Production Pits: _____
Condensate Tanks: _____	Water Tanks: _____	Separators: <u>2</u>	Electric Motors: _____
Gas or Diesel Mortors: <u>2</u>	Cavity Pumps: _____	LACT Unit: _____	Pump Jacks: <u>2</u>
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/Action Required	Comment	Corrective Action	CA Date
TANK LABELS/PLACARDS	SATISFACTORY			
WELLHEAD	SATISFACTORY			

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

Comment: _____

Corrective Action: _____

Good Housekeeping:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
OTHER	ACTION REQUIRED	drilling materials, small trash and piles of asphalt observed on location.	clean up materials and trash and dispose in approved manner	01/09/2015
UNUSED EQUIPMENT	ACTION REQUIRED	flowline still on site, no longer in use? tubulars on east side of pad?	remove supplies and equipment no longer in use/not needed for use in near future	01/13/2015

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

Fencing/:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
PIT	SATISFACTORY	wildlife netting has holes and gaps, fence was adequate at time of inspection		

Equipment:					
Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Deadman # & Marked	4	SATISFACTORY	SW anchor will need to be marked after pit closure		
Flow Line	1	SATISFACTORY	prod well		
Horizontal Heated Separator	1	SATISFACTORY	prod well		
Gas Meter Run	1	SATISFACTORY	prod well		

Facilities:		New Tank	Tank ID: _____	
Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	1		STEEL AST	,
S/AV:	ACTION REQUIRED		Comment: rust streaks down sides	
Corrective Action:	paint tank			Corrective Date: 06/01/2015
Paint				
Condition	Inadequate			
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/Action Required	Comment	Corrective Action	CA Date
_____	_____	_____	_____	_____

Predrill				
Location ID:	436893			
Site Preparation:				
Lease Road Adeq.:	SATISFACTORY	Pads:	SATISFACTORY	Soil Stockpile: ALLEGED
S/AV: ALLEGED				
Corrective Action:	install BMPs to protect soil/spoil piles from wind & water erosion, follow-up w/ EPS on pit		Date:	01/09/2015
Form 2A COAs:				
Group	User	Comment	Date	
OGLA	kubeczkd	Notify the COGCC 48 hours prior to start of pad reconstruction/regrading (if necessary), rig mobilization, spud, and start of hydraulic stimulation operations using Form 42 (the appropriate COGCC individuals will automatically be email notified, including the LGD for hydraulic stimulation operations).	03/06/2014	
OGLA	kubeczkd	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.	03/06/2014	

OGLA	kubeczkd	If the well is to be hydraulically stimulated, 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 located on the well pad; 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.	03/06/2014
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S/A/V: ALLEGED **Comment:** No protective measures to protect nearby surface waters observed. Downgradient location berming appears to be from original location construction and not maintained.

CA: Maintain location berm. Stockpiles need BMP for wind/water erosion such as but not limited to; compaction, tackifiers wattles **Date:** 01/09/2015

Wildlife BMPs:

BMP Type	Comment
Wildlife	Operator will attempt to use CPW-recommended seed mix for interim reclamation.

S/A/V: _____ **Comment:** _____

CA: _____ **Date:** _____

Stormwater:

Erosion BMPs	Present	Other BMPs	Present
BERMS	No	Material Handling And Spill Prevention	No`

S/A/V: ALLEGED VIOLATION

Corrective Action: maintain location berm, prevent spill drilling materials from mixing with precipitation **Date:** 12/22/2014

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: 301885 Type: WELL API Number: 007-06276 Status: PR Insp. Status: PR

Producing Well

Comment: PR

Facility ID: 436893 Type: WELL API Number: 007-06316 Status: DG Insp. Status: SI

Idle Well

Purpose: Shut In Temporarily Abandoned Reminder: _____

S/A/V: _____ CA Date: _____

CA: _____

Comment: Drilling/completion information needed

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: slash piles around east and north edges of location from original construction

1003a. Debris removed? Fail CM slash piles from construction

CA remove, chip or burn w/ permission from landowner CA Date 06/08/2015

Waste Material Onsite? Pass CM _____

CA _____ CA Date _____

Unused or unneeded equipment onsite? In CM a few tubulars still on pad

CA _____ CA Date _____

Pit, cellars, rat holes and other bores closed? In CM _____

CA _____ CA Date _____

Guy line anchors removed? _____ CM _____

CA _____ CA Date _____

Guy line anchors marked? Pass CM _____

CA _____ CA Date _____

1003b. Area no longer in use? In Production areas stabilized ? Pass

1003c. Compacted areas have been cross ripped? In

1003d. Drilling pit closed? In Subsidence over on drill pit? _____

Cuttings management: some cuttings on edge of pit

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? In

RESTORATION AND REVEGETATION

Cropland

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

Non-Cropland

Top soil replaced In Recontoured In 80% Revegetation In

1003 f. Weeds Noxious weeds? _____

Comment: sparse vegetation cover on cut slopes above location

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: _____

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
Berms	Fail	Gravel	Pass			location berm not maintained
Gravel	Pass	Compaction	Pass	MHSP	Fail	drilling mud materials on ground
Compaction	Pass					

S/A/V: **ACTION REQUIRED**

Corrective Date: **04/01/2015**

Comment: _____

CA: **Maintain location berm (east/down gradient side). Clean up drill cuttings, mud chemicals and oily soils observed (see attachment page for link to uploaded photos). Install BMPs to protect spoil piles. Address rill erosion and run-on from cut slopes and install proper BMPs such as but not limited to control ditches, seeding, erosion control blanket or tackifier material.**

Pits: NO SURFACE INDICATION OF PIT

Pit Type: Drilling Pit Lined: YES Pit ID: _____ Lat: _____ Long: _____

Lining:

Liner Type: HDPE Liner Condition: Inadequate

Comment: fence posts through cuts on edges, material folded and creased in places, repaired? not installed per spec

Fencing:

Fencing Type: Wildlife Fencing Condition: Adequate

Comment: _____

Netting:

Netting Type: Mesh Netting Condition: Holes

Comment: open area on northeast corner of pit netting

Anchor Trench Present: YES Oil Accumulation: _____ 2+ feet Freeboard: _____

Pit (S/A/V): ACTION Comment: **anchor trenching inadequate on east side of pit, cuttings on edge and off liner and through cuts on east side by fence posts. Liner also torn in places, possibly repaired with second piece of liner on west side of pit (see attachment page for links to uploaded photos).**

Corrective Action: **completely net pit, fix gaps, keep drill cuttings in pit/prevent from migrating off liner or through cuts and holes, follow up with environmental staff about pit closure.** Date: **12/23/2014**

Attached Documents

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

Document Num	Description	URL
667700484	pit, cuttings, anchor trench, liner condition	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3501448
667700485	cuttings, liner condition	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3501449
667700486	gaps in wildlife netting	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3501450
667700487	stained soils, drilling materials spilled on ground	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3501451
667700488	rill erosion, sparse vegetation/no BMPs cut slope	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3501452
667700489	folded/repared liner, stockpile with no BMPs	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3501453