

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:
12/23/2014

Document Number:
674700774

Overall Inspection:

ACTION REQUIRED

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>323902</u>	<u>323902</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
Inspection, WPX	970-263-2716	COGCCInspectionReports@wpxenergy.com	WPX Inspection Mail Box
Lujan, Carlos		carlos.lujan@state.co.us	
Fischer, Alex		alex.fischer@state.co.us	
Spencer, Stan		stan.spencer@state.co.us	
Kellerby, Shaun		shaun.kellerby@state.co.us	

Compliance Summary:

QtrQtr:	<u>NWSW</u>	Sec:	<u>33</u>	Twp:	<u>6S</u>	Range:	<u>96W</u>
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Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
10/24/2014	674700459			SATISFACTORY			No
06/13/2013	663801128			SATISFACTORY	I		No

Inspector Comment:

Flow back Inspection Form 42 doc# 400752532. Flow back completed. Contractors breaking down and removing fracturing and flow back equipment.

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
211133	WELL	PR	07/04/2005	GW	045-06892	FEDERAL GM 13-33	PR	<input checked="" type="checkbox"/>
438500	WELL	DG	11/02/2014		045-22490	WPX GM 414-33	PR	<input checked="" type="checkbox"/>
438501	WELL	XX	08/10/2014		045-22491	WPX GM 413-33	PR	<input checked="" type="checkbox"/>
438502	WELL	DG	10/09/2014		045-22492	WPX GM 513-33	PR	<input checked="" type="checkbox"/>
438503	WELL	DG	10/23/2014		045-22493	WPX GM 313-33	WK	<input checked="" type="checkbox"/>
439233	SPILL OR RELEASE	AC	10/14/2014		-	SPILL/RELEASE POINT	AC	<input type="checkbox"/>

Equipment:

Location Inventory

Special Purpose Pits: _____	Drilling Pits: _____	Wells: <u>5</u>	Production Pits: _____
Condensate Tanks: _____	Water Tanks: <u>1</u>	Separators: <u>5</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: _____	Oil Tanks: _____	Dehydrator Units: _____
Multi-Well Pits: _____	Pigging Station: _____	Flare: _____	Fuel Tanks: _____

Location

Lease Road:				
Type	Satisfactory/Action Required	comment	Corrective Action	Date
Access	SATISFACTORY	Muddy thawing road is slick and slippery. Steep grade into location. Road grader and dozer in use.		

Signs/Marker:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
WELLHEAD	SATISFACTORY	Plot map at wells		
TANK LABELS/PLACARDS	SATISFACTORY			

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

Comment: _____

Corrective Action: _____

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

Equipment:					
Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Plunger Lift	4	SATISFACTORY	Plunger lift installed on GM 513-33		
Other	1	SATISFACTORY	Up right sand trap		
Horizontal Separator	2	SATISFACTORY	Hi pressure and low pressure (P Tank) 4 stage separation		

Facilities: New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	2	500 BBLS	Open Top	,

S/A/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				

Venting:	
Yes/No	Comment

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

Predrill

Location ID: 323902

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

S/AV: _____
 Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:

Group	User	Comment	Date
OGLA	kubeczkd	<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.</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. 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>	07/16/2014

OGLA	kubeczkd	Notify the COGCC 48 hours prior to start of pad reconstruction/regrading, rig mobilization, spud, pipeline testing, start of hydraulic stimulation operations, start of flowback operations using Form 42 (the appropriate COGCC individuals will automatically be email notified, including the LGD for hydraulic stimulation operations).	07/16/2014
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 (i.e., best management practices (BMPs) associated with stormwater management) 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>The access road will be maintained as to not allow any sediment to migrate from the access road to nearby surface water or any drainages leading to surface water.</p> <p>Strategically apply fugitive dust control measures, including enforcing established speed limits on private roads, to reduce fugitive dust and coating of vegetation and deposition in water sources.</p> <p>The location is in an area of moderate run-on/run-off potential; therefore standard stormwater BMPs must be implemented at this location to insure compliance with CDPHE and COGCC requirements and to prevent any stormwater run-on and /or stormwater run-off.</p> <p>Berms or other containment devices shall be constructed to be sufficiently impervious (corrugated steel with poly liner) to contain any spilled or released material around crude oil, condensate, and produced water storage tanks.</p>	07/16/2014
OGLA	kubeczkd	<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, storage vessel, or pit 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.</p>	07/16/2014

S/A/V: ACTION

Comment:

Form 42 doc# 400752532. Frac andflow back operations complete. Contractors rigging down and removing equipment from location. Incomplete berming around cuttings. Black fluid around cuttings.

CA: Complete berming and remove black fluids. Minimize moisture of cuttings.

Date: 12/26/2014

Wildlife BMPs:

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

Planning
 Share/consolidate corridors for pipeline ROWs to the maximum extent possible.
 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.
 Locate roads outside of drainages where possible and outside of riparian habitat.
 Minimize the number, length, and footprint of oil and gas development roads.
 Use existing roads where possible.
 Combine and share roads to minimize habitat fragmentation.
 Where possible, consolidate pipeline and existing roadways, or roadways that are planned for development.
 Maximize the use of directional drilling to minimize habitat loss/fragmentation.
 Maximize use of long-term centralized tank batteries to minimize traffic.
 Maximize use of remote completion/frac operations to minimize traffic.
 Maximize use of remote telemetry for well monitoring to minimize traffic.

S/AV: _____ **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: 211133 Type: WELL API Number: 045-06892 Status: PR Insp. Status: PR

Producing Well

Comment: Producing well

Facility ID: 438500 Type: WELL API Number: 045-22490 Status: DG Insp. Status: PR

Producing Well

Comment: Producing well

Facility ID: 438501 Type: WELL API Number: 045-22491 Status: XX Insp. Status: PR

Producing Well

Comment: Producing well

Facility ID: 438502 Type: WELL API Number: 045-22492 Status: DG Insp. Status: PR

Producing Well

Comment: Well on sells. Plunger lift installed and automations being installed at time of inspection

Workover

Comment: Flow back operation shut in early morning. Frac work completed and turned to flowback 12/19/2014.

Facility ID: 438503 Type: WELL API Number: 045-22493 Status: DG Insp. Status: WK

Workover

Comment: Work over unit on well. Squeeze job done yesterday 12/22/2014. Cement curing and rig will drill out later in the week.

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: RANGELAND

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: RANGELAND _____

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	Fail			
Gravel	Pass					
Compaction	Pass					
		Ditches	Fail			

Berms	Pass				
S/A/V:	ACTION REQUIRED	Corrective Date:	01/31/2015		
Comment:	Muddy conditions has caused damage to road ditches from traffic and blading of road.				
CA:	Clean and maintain ditches				

Pits: NO SURFACE INDICATION OF PIT

Pit Type:	Lined:	Pit ID:	Lat:	Long:
Lining:				
Liner Type:	Liner Condition:			
Comment:				
Fencing:				
Fencing Type:	Fencing Condition:			
Comment:				
Netting:				
Netting Type:	Netting Condition:			
Comment:				
Anchor Trench Present:	Oil Accumulation:	2+ feet Freeboard:		
Pit (S/A/V):	Comment:			
Corrective Action:				Date:

Attached Documents

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

Document Num	Description	URL
674700775	Cuttings pile incomplete berm and black fluids	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3514665

ACTION REQUIRED

ANY ACTION REQUIRED items listed on this report indicate that the oil and gas facility or the oil and gas operations listed on the report may be in violation of the rules and regulations of the Colorado Oil and Conservation Commission (“COGCC”) and corrective action is required.

There is reasonable cause to believe that a violation of the Oil and Gas Conservation Act, or of any rule, regulation, or order of the Commission, or of any permit issued by the Commission, has occurred. The Operator’s compliance with this Inspection Report is required to resolve these alleged violations. This document requires the Operator to timely respond to the COGCC and to comply with directives as listed by the **Corrective Action Deadline Date**. Failure to do so will result in the issuance of a Notice of Alleged Violation and initiation of enforcement proceedings in which COGCC will seek monetary penalties for the alleged violations pursuant to § 34-60-121, C.R.S. and Rule 523, COGCC Rules of Practice and Procedure, 2 CCR 404-1. (Please note that the COGCC's penalty authority was recently increased to a maximum of \$15,000 per day and penalties are no longer capped at a maximum of \$10,000 per violation.)