

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:
12/03/2014

Document Number:
673401504

Overall Inspection:

ACTION REQUIRED

FIELD INSPECTION FORM

| | | | | | |
|---------------------|---------------|---------------|-----------------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | <u>412827</u> | <u>413908</u> | <u>Waldron, Emily</u> | <input type="checkbox"/> | |

Operator Information:

| | |
|-----------------------|--|
| OGCC Operator Number: | <u>27742</u> |
| Name of Operator: | <u>EOG RESOURCES INC</u> |
| Address: | <u>600 17TH ST STE 1100N</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 |
|-----------------|-------|----------------------------|---------|
| Ashby, Andy | | aashby@ee3llc.com | |
| Kellerby, Shaun | | shaun.kellerby@state.co.us | |
| McClure, Rich | | rmcclure@ee3llc.com | |

Compliance Summary:

QtrQtr: NE/NE Sec: 12 Twp: 7N Range: 81W

Inspector Comment:

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|---------------|--|
| 412827 | WELL | XX | 07/24/2009 | LO | 057-06494 | MARR 4-12H | XX <input type="checkbox"/> |
| 412905 | WELL | DG | 04/15/2014 | OW | 057-06498 | Hebron 3-12H | PR <input checked="" type="checkbox"/> |

Equipment:

Location Inventory

| | | | |
|--------------------------------------|--------------------------------|----------------------------|---------------------------------|
| Special Purpose Pits: <u> </u> | Drilling Pits: <u> 1 </u> | Wells: <u> 1 </u> | Production Pits: <u> </u> |
| Condensate Tanks: <u> </u> | Water Tanks: <u> 2 </u> | Separators: <u> 2 </u> | Electric Motors: <u> </u> |
| Gas or Diesel Mortors: <u> </u> | Cavity Pumps: <u> 2 </u> | LACT Unit: <u> 1 </u> | Pump Jacks: <u> 1 </u> |
| Electric Generators: <u> 1 </u> | Gas Pipeline: <u> 1 </u> | Oil Pipeline: <u> 1 </u> | Water Pipeline: <u> </u> |
| Gas Compressors: <u> </u> | VOC Combustor: <u> 1 </u> | Oil Tanks: <u> 5 </u> | Dehydrator Units: <u> </u> |
| Multi-Well Pits: <u> </u> | Pigging Station: <u> </u> | Flare: <u> 1 </u> | Fuel Tanks: <u> </u> |

Location

Signs/Marker:

| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
|----------|------------------------------|---------|-------------------|---------|
| WELLHEAD | SATISFACTORY | | | |

Emergency Contact Number (S/A/V): SATISFACTORY

Corrective Date:

Inspector Name: Waldron, Emily

Comment: _____
 Corrective Action: _____

| Good Housekeeping: | | | | |
|---------------------------|------------------------------|---|--|------------|
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| STORAGE OF SUPL | ACTION REQUIRED | Port-a-john and earth moving equipment still on location. Port-a-john is tipped over. | Remove all equipment not necessary for production. | 01/30/2015 |

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 |
|--------------------|---|------------------------------|---------|-------------------|---------|
| Pump Jack | 1 | SATISFACTORY | | | |
| Deadman # & Marked | 4 | SATISFACTORY | | | |

Venting:

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

Flaring:

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

Predrill

Location ID: 412827

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

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

Form 2A COAs:

| Group | User | Comment | Date |
|-------|-----------|---|------------|
| OGLA | kubeczkod | 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, the drill cuttings must also meet the applicable standards of table 910-1. | 01/01/2011 |
| OGLA | kubeczkod | Location is in a sensitive area because shallow groundwater; therefore either a lined drilling pit or closed loop system (which EOG has indicated on the Form 2A) must be implemented. | 01/01/2011 |

| | | | |
|------|-----------|--|------------|
| OGLA | kubeczkod | Operator must ensure 110 percent 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. | 01/01/2011 |
| OGLA | kubeczkod | Operator must implement best management practices to contain any unintentional release of fluids, including any fluids conveyed via temporary surface pipelines. | 01/01/2011 |
| OGLA | kubeczkod | Reserve pit must be lined or a closed loop system (which EOG has indicated on the Form 2A) must be implemented during drilling. | 01/01/2011 |

S/A/V: SATISFACTORY **Comment:**

CA: **Date:**

Wildlife BMPs:

S/A/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: 412905 Type: WELL API Number: 057-06498 Status: DG Insp. Status: PR

Producing Well

Comment: Pumping.

Environmental

Spills/Releases:

Inspector Name: Waldron, Emily

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: _____ 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: 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

Inspector Name: Waldron, Emily

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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| | | | | | | |

S/A/V: SATISFACTOR Corrective Date: _____

Y

Comment: No apparent soil migration; erosion or soil movement.

CA: _____

Pits: NO SURFACE INDICATION OF PIT

COGCC Comments

| Comment | User | Date |
|--|----------|------------|
| Follow up to inspection from 9/16/2014 (document number 673401115). Secondary containment has been installed. Equipment mentioned in previous report is still on location. It appears that the pit has been closed. There was no Form 4 submitted as requested in the Corrective Actions of the previous report. In addition no Form 27 was filed prior to pit closure. Please submit the Form 4 requested in the previous inspection detailing at a minimum: date of construction of pit, intended use of pit, actual use of pit, when was pit in use, what was contained in pit within 7 days of receipt of this report. Please work with COGCC environmental staff to ensure pit has been closed in accordance with rule 905. | waldrone | 12/03/2014 |

Attached Documents

Inspector Name: Waldron, Emily

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

| Document Num | Description | URL |
|--------------|--|---|
| 673401615 | Equipment on location, apparent pit closure | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3518770 |

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.)