

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:
06/17/2015

Document Number:
673710662

Overall Inspection:

ACTION REQUIRED

FIELD INSPECTION FORM

| | | | | | |
|---------------------|---------------|---------------|-----------------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | <u>431087</u> | <u>431083</u> | <u>Sherman, Susan</u> | <input type="checkbox"/> | |

Operator Information:

OGCC Operator Number: 19160

Name of Operator: CONOCO PHILLIPS COMPANY

Address: P O BOX 2197

City: HOUSTON State: TX Zip: 77252-

- 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 |
|-------------------|----------------|---------------------------------------|--------------------------|
| Gahr, Dean | (303) 268-3723 | Dean.P.Gahr@conocophillips.com | All DJ Basin Inspections |
| Savage, Ali | (281) 260-5359 | ali.savage@conocophillips.com | |
| Strickler, Robert | | Robert.D.Strickler@conocophillips.com | All DJ Basin Inspections |

Compliance Summary:

QtrQtr: NENE Sec: 14 Twp: 4s Range: 64W

| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Action Required | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|-------------------------------|----------|----------------|-----------------|
| 07/08/2013 | 668300489 | DG | AO | SATISFACTORY | P | | No |
| 06/22/2013 | 668300405 | DG | AO | SATISFACTORY | P | | No |
| 06/21/2013 | 668300398 | DG | AO | SATISFACTORY | P | | No |
| 06/11/2013 | 668300362 | DG | WO | SATISFACTORY | | | No |
| 02/27/2013 | 665400637 | DG | DG | SATISFACTORY | | | No |

Inspector Comment:

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|---------------|--|
| 431087 | WELL | PR | 09/16/2013 | OW | 005-07202 | Krout 14 1H | PR <input checked="" type="checkbox"/> |

Equipment:

Location Inventory

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

Location

| Signs/Marker: | | | | |
|----------------------|------------------------------|----------------------|-------------------|---------|
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| TANK LABELS/PLACARDS | SATISFACTORY | | | |
| CONTAINERS | SATISFACTORY | | | |
| OTHER | SATISFACTORY | location sign @ gate | | |

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? | | | | |

| Fencing/: | | | | |
|------------------|------------------------------|---------------------------------|-------------------|---------|
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| OTHER | SATISFACTORY | steel pipe around gas meter run | | |
| LOCATION | SATISFACTORY | barbed wire | | |
| PUMP JACK | SATISFACTORY | steel panels | | |

| Equipment: | | | | | |
|---------------------------|---|------------------------------|---|-------------------|---------|
| Type | # | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| Pump Jack | 1 | SATISFACTORY | concrete pad | | |
| Gas Meter Run | 1 | SATISFACTORY | shed, 39.70875, - 104.50952 | | |
| VRU | 1 | SATISFACTORY | tower in tank battery berms | | |
| Horizontal Heater Treater | 1 | SATISFACTORY | 2 phase and 3 phase, metal berms, 39.70879, - 104.50937 | | |
| Emission Control Device | 1 | SATISFACTORY | pilot light on, concrete pad, 39.70904, - 104.50944 | | |

Inspector Name: Sherman, Susan

| | | | | | |
|---------------------|---|--------------|--|--|--|
| Ancillary equipment | 6 | SATISFACTORY | chemical containers, radio telemetry, solar panels, electric panels. gas scrubber @ wellhead | | |
| Bird Protectors | 3 | SATISFACTORY | | | |
| FWKO | 1 | SATISFACTORY | near ECD | | |
| Prime Mover | 1 | SATISFACTORY | electric | | |
| Flare | 1 | SATISFACTORY | pilot on, gravel berm, 39.70902, - 104.50935 | | |

Facilities: New Tank Tank ID: _____

| Contents | # | Capacity | Type | SE GPS |
|----------------|---|----------|-----------|--------|
| PRODUCED WATER | 1 | 400 BBLs | STEEL AST | |

S/A/V: SATISFACTORY Comment: same berms as crude oil tanks

Corrective Action: _____ Corrective Date: _____

Paint

Condition Adequate

Other (Content) _____
 Other (Capacity) _____
 Other (Type) _____

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|------|----------|---------------------|---------------------|-------------|
| | | | | |

Corrective Action _____ Corrective Date _____

Comment _____

Facilities: New Tank Tank ID: _____

| Contents | # | Capacity | Type | SE GPS |
|-----------|---|----------|-----------|-----------------------|
| CRUDE OIL | 3 | 400 BBLs | STEEL AST | 39.708350,-104.509380 |

S/A/V: SATISFACTORY Comment: _____

Corrective Action: _____ Corrective Date: _____

Paint

Condition Adequate

Other (Content) _____
 Other (Capacity) _____
 Other (Type) _____

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|-------|----------|---------------------|---------------------|-------------|
| Metal | Adequate | Walls Sufficient | Base Sufficient | Adequate |

Corrective Action _____ Corrective Date _____

Comment _____

| | |
|-----------------|----------------|
| Venting: | |
| Yes/No | Comment |
| NO | pilot light on |

| | | | | |
|-----------------|------------------------------|----------------|-------------------|---------|
| Flaring: | | | | |
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| Field Flare | SATISFACTORY | pilot light on | | |

Predrill

Location ID: 431087

Site Preparation:

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

S/A/V: _____

Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:

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

CA: _____ **Date:** _____

Wildlife BMPs:

| BMP Type | Comment |
|---------------|--|
| Site Specific | <p>ConocoPhillips Groundwater Monitoring Program</p> <p>ConocoPhillips has adopted the Colorado Oil and Gas Association (COGA) voluntary groundwater testing program to establish baseline groundwater quality conditions around new oil well locations in their leased area. The sampling program will allow the company (ConocoPhillips) to evaluate the groundwater conditions before drilling a well and also to monitor water quality afterward.</p> <p>The program will be in accordance with the guidance set forth in the Voluntary Baseline Groundwater Quality Sampling Program last updated on November 15, 2011. Under the sampling protocol, water samples would be collected from the two closest groundwater sources with reasonable access. The sample points, permitted or registered wells, would be located within 1/2 mile of the proposed well surface location.</p> <p>Sampling will be conducted based on the landowner granting access to the well location and agreeing to have the laboratory analytical results submitted to COGCC for posting to a database viewable by the public.</p> <p>Samples will be analyzed for the constituents listed in Table 1 of the Groundwater Sampling and Analytical Program.</p> |

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:

Inspector Name: Sherman, Susan

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: 431087 Type: WELL API Number: 005-07202 Status: PR Insp. Status: PR

Producing Well

Comment: PR. Apr 2015 reported to COGCC database.

BradenHead

Comment: .9429 psi

CA: _____

CA Date: _____

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 |
|--------------|----------|------------------|--|---------------|
| 200382822 | LIGHTING | Johnson, Randell | Flowback operations are currently active on the ConocoPhillips Krout 14-1H location. Dwayne Cardin, a resident approximately a half a mile away called to complain about the lights. | 07/08/2013 |

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: Bresser-Truckton sandy loam soil type, large fenced location

1003a. Debris removed? Pass CM _____
 CA _____ CA Date _____

Waste Material Onsite? Pass CM _____
 CA _____ CA Date _____

Unused or unneeded equipment onsite? Pass CM _____
 CA _____ CA Date _____

Pit, cellars, rat holes and other bores closed? _____ CM wellhead cellar open
 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 _____

Inspector Name: Sherman, Susan

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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Check Dams | Fail | | | | | |
| Rip Rap | Pass | Gravel | Pass | SR | Pass | |
| Retention Ponds | Pass | Compaction | Pass | MHSP | Pass | |
| Waddles | Pass | | | | | |
| Gravel | Pass | | | | | |
| Compaction | Fail | | | | | |
| Blankets | Pass | | | | | |
| Culverts | Pass | | | | | |

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

Corrective Date: **07/24/2015**

Comment: **Operator notified and crews are in process of working on locations due to recent heavy rains in the area.**

CA: **Maintain stormwater BMPs.**

Pits: NO SURFACE INDICATION OF PIT

COGCC Comments

| Comment | User | Date |
|---|----------|------------|
| Operator is aware of erosion and crews were actively working on locations. | ShermaSe | 06/23/2015 |

Attached Documents

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

| Document Num | Description | URL |
|--------------|-------------------------------------|---|
| 673710710 | Conoco Phillips Company Krout 14 1H | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3630982 |

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.)