

**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:

09/02/2015

Document Number:

680600150

Overall Inspection:

SATISFACTORY**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	437440	437441	ROY, CATHERINE	<input type="checkbox"/>	

Operator Information:OGCC Operator Number: 46685Name of Operator: KINDER MORGAN CO2 CO LPAddress: 17801 HWY 491City: CORTEZ State: CO Zip: 81321

- ☐ 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
Conway, Jamie		James_Conway@kindermorgan.com	All inspections
Kennedy, Phil	970-270-7512	phil_kennedy@kindermorgan.com	
Millican, Chris		chris_millican@kindermorgan.com	
Antipas, Andrew		andrew_antipas@kindermorgan.com	

Compliance Summary:QtrQtr: SWSE Sec: 18 Twp: 36N Range: 17W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
07/01/2014	669500226	DG	DG	SATISFACTORY			No

Inspector Comment:

This is an interim reclamation and stormwater inspection. Any corrective actions from previous inspections that have not been addressed are still applicable.

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
437440	WELL	SI	07/20/2014	LO	083-06717	Goodman Point (GP) 27	SI	<input checked="" type="checkbox"/>

Equipment:**Location Inventory**

Special Purpose Pits: _____	Drilling Pits: _____	Wells: <u>1</u>	Production Pits: _____
Condensate Tanks: _____	Water Tanks: _____	Separators: _____	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

Inspector Name: ROY, CATHERINE

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

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: 437440

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	A closed loop system (which operator has indicated on the Form 2A) must be implemented during drilling. All cuttings generated during drilling with high chloride mud must be kept in containers or on a lined/bermed portion of the well pad; prior to analysis and/or offsite disposal. The moisture content of any drill cuttings in a cuttings area or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts.	05/19/2014
OGLA	kubeczkd	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.	05/19/2014
OGLA	kubeczkd	<p>Notify the COGCC 48 hours prior to start of pad construction, rig mobilization, spud, start of hydraulic stimulation operations (if applicable), start of flowback operations (if applicable), and pipeline testing using Form 42 (the appropriate COGCC individuals will automatically be email notified, including the LGD for hydraulic stimulation operations).</p> <p>All personnel must be H2S trained and proper air monitoring for H2S must be implemented during drilling, completion, and production operations. Emergency response plan for H2S must be onsite at all times.</p>	05/19/2014

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

CA: _____ **Date:** _____

Wildlife BMPs:

BMP Type	Comment
Interim Reclamation	Surface roughening, surface contouring, seeding, and weed control will be employed to facilitate vegetation reestablishment. Tackifier will be added to reclaimed areas.

Material Handling and Spill Prevention	<p>The use of a closed-loop drilling system will reduce the amount of waste produced and water used during drilling operations. Solid cuttings will be disposed of at a solid waste facility.</p> <p>Water that can no longer be reused or recycled will be disposed of in a Class I disposal well.</p> <p>Sufficiently impervious containment devices will be constructed around any condensate and produced water tanks. The containment devices will be sufficiently impervious to contain any spilled or released material. All containment devices will be inspected at regular intervals and maintained in good condition.</p> <p>Tanks are designed to meet all API 650 guidelines.</p>
Dust control	In an effort to mitigate dust, magnesium-chloride applications to the road surface are performed at the request of Montezuma County.
Planning	<p>A Kinder Morgan Fire Mitigation Plan is currently on file with the Montezuma County Planning Office.</p> <p>Any material not in use that might constitute a fire hazard will be removed a minimum of 25 feet from the wellhead, tanks and separator.</p> <p>Any electrical installations inside the bermed area will comply with API RP 500 classifications and comply with the current national electrical code as adopted by the State of Colorado.</p>
Emissions mitigation	<p>Non-flammable CO₂ will be produced from the Leadville formation and thus green completion per rule 805 (3) does not apply.</p> <p>All CO₂ wells are equipped with a CO₂ leak detection monitor during drilling.</p>
Storm Water/Erosion Control	<p>Diversion ditches will be implemented to divert run-on and run-off around the well pad. Compacted earthen berms will also be utilized to control stormwater run-on and runoff.</p> <p>Tackifier will be added to the stored topsoil piles and all slopes to prevent erosion. Stockpiled soils will have slopes not greater than 3:1.</p> <p>Stormwater BMPs will be maintained/amended by Kinder Morgan as site conditions change throughout the construction and reclamation process.</p>
Noise mitigation	During normal operations, the well will remain within COGCC regulations for noise. However, during the construction phase of the project, this standard may be exceeded occasionally.
Drilling/Completion Operations	<p>Blowout preventer equipment (BOPE) complies with COGCC equipment regulations.</p> <p>Mineral Management certification or Director approved training for blowout prevention has been conducted for at least one person at the well site during drilling operations.</p> <p>Kinder Morgan conducts a BOPE test and files a 24 hour notice (Form 42) at the initial rig-up time, after each casing emplacement, and/or every 30 days.</p> <p>KM standard operating protocol includes a check list for well-site clearance activities when a well is transferred from the Drilling Department to the Operations Department.</p> <p>Adequate blowout prevention equipment is used on all well servicing operations.</p> <p>Backup stabbing valves are used on well servicing operations during reverse circulation and are pressure tested before each well servicing operation using both low-pressure air and high-pressure fluid.</p> <p>No pits are present at the well site.</p>
Traffic control	<p>A Road Use Plan, which addresses traffic concerns specific to the GP-27, is currently on file with Montezuma County. The Road Use Plan was produced after consulting with the county Road and Bridge Supervisor.</p> <p>All access roads are fully compliant with local county road standards. Access roads are composed of compacted gravel. In an effort to mitigate dust, magnesium-chloride applications to the road surface are performed at the request of Montezuma County.</p>
Final Reclamation	All disturbed areas that are not necessary for operational procedures will be restored to at least 80 percent of pre-disturbance vegetative cover.

General Housekeeping	<p>Erosion control barriers, namely fiber wattles, will be placed at the edge of disturbance where necessary. Care will be taken to avoid disturbance outside of the project area unless it is deemed necessary for equipment stability and fire safety.</p> <p>During the construction, drilling, and completion phases, on-site trash dumpsters are emptied regularly by the local waste management company.</p> <p>Steel ranch fencing will be placed around the well head after the well is drilled. Once the well is tied in, the fencing will be removed. The proposed well location will be drilled using a closed loop system and will therefore not use open pits.</p> <p>During drilling and completion operations, safety officers are present on location to ensure that livestock, wildlife, and unauthorized personnel do not enter the location. Following completion, the only items present on the well pad are the well head and aboveground pipeline junction. Additionally, there is no active grazing near the proposed location.</p>
Construction	<p>All equipment will be stored within the right-of-way (ROW) area of disturbance. Top soil will be removed to create a level pad for drilling and access road.</p> <p>Vegetation that does not need to be removed will be avoided during construction and removed vegetation will be cut near ground level, leaving the root system intact except where permanent facilities, roads, or ROWs, and wellpads require the complete removal of vegetation.</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:

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: 437440 Type: WELL API Number: 083-06717 Status: SI Insp. Status: SI

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 _____
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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, RANGELAND

Comment: A dense population of desirable grasses are becoming established within the interim reclamation area. Additionally, musk thistles are present along the eastern edge of the well pad and Canada thistles near the well pad entrance. Thistles should be treated and controlled by October 15, 2015, to prevent infestation within the project area. See attached photos.

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	_____	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? In Production areas stabilized ? In

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: ROY, CATHERINE

Top soil replaced _____

Recontoured _____

Perennial forage re-established _____

Non-Cropland

Top soil replaced _____

Recontoured _____

80% Revegetation _____ In _____

1003 f. Weeds Noxious weeds? _____ F _____

Comment: _____

Overall Interim Reclamation _____ In Process _____

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____

Date Final Reclamation Completed: _____

Final Land Use: DRY LAND, 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
Y

Corrective Date: _____

Comment: Stormwater erosion appears to be stabilized on the location at this time.

CA: _____

Pits: ☒ NO SURFACE INDICATION OF PIT

COGCC Comments

Comment	User	Date
Overall inspection is "Satisfactory". However weeds need to be controlled by October 15, 2015.	RoyC	09/10/2015

Attached Documents

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

Document Num	Description	URL
680600151	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3679905