

**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
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Inspection Date:  
11/13/2015

Document Number:  
667700759

Overall Inspection:

**ACTION REQUIRED**

**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>436011</u>	<u>436009</u>	<u>LABOWSKIE, STEVE</u>	<input type="checkbox"/>	

**Operator Information:**

OGCC Operator Number:	<u>10464</u>
Name of Operator:	<u>CATAMOUNT ENERGY PARTNERS LLC</u>
Address:	<u>1801 BROADWAY #1000</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
Redmond, Nolan	(720)-484-2347	nredmond@catamountep.com	Sw Insp Reports
Fischer, Reed		rfischer@catamountep.com	

**Compliance Summary:**

QtrQtr: SWSW Sec: 3 Twp: 33N Range: 7W

**Inspector Comment:**

SW Field Inspection Supervisor conducted a producing well inspection on 11/13/15 while accompanied by SW Reclamation Specialist Catherine Roy who is preparing a separate interim reclamation inspection report. Both inspectors were alerted to the audible sound of gas venting from a buried valve vault constructed of vertical culvert type material. Gas was observed continuously venting from a small diameter metal tube, some moisture was also observed hitting and running off vault lid and onto ground. Staff requests operator inspect and repair any leaks or equipment not functioning properly, if this is normal operation, staff requests a detailed description of buried equipment and explanation of why gas is being vented at this equipment by 12/18/2015, see link at end of report for uploaded infrared video footage. See "facilities" section for action required pertaining to produced water tanks containing fluid with secondary containment

**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
436010	WELL	PR	09/22/2014	GW	067-09902	Campbell 33-7-4 1H	PR	<input checked="" type="checkbox"/>
436011	WELL	PR	09/16/2014	GW	067-09903	Campbell 33-7-4 2H	PR	<input checked="" type="checkbox"/>

**Equipment:**

Location Inventory

Special Purpose Pits: _____	Drilling Pits: _____	Wells: <u>2</u>	Production Pits: <u>1</u>
Condensate Tanks: _____	Water Tanks: _____	Separators: <u>2</u>	Electric Motors: _____
Gas or Diesel Motors: <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**

<b>Signs/Marker:</b>				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
CONTAINERS	<b>ACTION REQUIRED</b>	old labels on container blacked out, no labels installed, tanks such as this need to retain the same information as for bulk transport.	Install sign to comply with rule 210.	<b>12/18/2015</b>
WELLHEAD	SATISFACTORY	signs permanently installed at wellhead (per Rule 210) would differentiate one well from another		
TANK LABELS/PLACARDS	<b>ACTION REQUIRED</b>	rental tanks with no labels, needs contents, capacity and appropriate NFPA.	Install sign to comply with rule 210.	<b>12/18/2015</b>
OTHER	SATISFACTORY	rig anchors		

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

Comment: \_\_\_\_\_

Corrective Action: \_\_\_\_\_

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

<b>Fencing/:</b>				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
OTHER	SATISFACTORY	pipe barricades at separation equipment and pig station		

<b>Equipment:</b>					
Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Bird Protectors	2	SATISFACTORY			
Ancillary equipment	2	SATISFACTORY	wellheads (note: some discolored gravel and signs of recent stuffingboc release at 2H wellhead)		
Deadman # & Marked	6	SATISFACTORY			
Ancillary equipment	2	SATISFACTORY	lube oil tanks on pumping units, no driip pan or spill prevention but on concrete base.		
Horizontal Heated Separator	2	SATISFACTORY			

Ancillary equipment	1	SATISFACTORY	chemical barrel with injection pump and adequate spill prevention device		
Flow Line	2	SATISFACTORY			
Ancillary equipment	1	<b>ACTION REQUIRED</b>	buried vertical culvert (valve vault?) along access road with operators markers. see link at end of report for uploaded infrared video footage.	Staff requests operator inspect and repair any leaks or equipment not functioning properly, if this is normal operation, staff requests a detailed description of buried equipment and explanation of why gas is being vented at this equipment.	12/18/2015
Prime Mover	2	SATISFACTORY			
Pump Jack	2	SATISFACTORY			

**Facilities:**  New Tank Tank ID: \_\_\_\_\_

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	2	400 BBLS	STEEL AST	

S/A/V: **ACTION REQUIRED** Comment: tanks hooked-up and contain fluid as verified with infrared camera (IR photos uploaded to database and available via link at end of report

Corrective Action: install secondary containment as soon as practicably possible but no later than CA date. Corrective Date: 12/18/2015

Paint

Condition Adequate

Other (Content) \_\_\_\_\_  
 Other (Capacity) \_\_\_\_\_  
 Other (Type) rental \_\_\_\_\_

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance

Corrective Action \_\_\_\_\_ Corrective Date \_\_\_\_\_

Comment no berms or containment devices installed

**Venting:**

Yes/No	Comment
YES	gas venting from tube coming out lid of buried culvert along access road with operators line markers, see uploaded infrared video

**Flaring:**

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

**Predrill**

Location ID: 436011

**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	<p>Flowback and stimulation fluids must be sent to tanks, separators, or other containment/filtering equipment on each individual well pad before the fluids can be placed into any pipeline, storage vessel, or lined pit (only if an amended Form 2A has been submitted/approved and a Form 15 Earthen Pit Permitted has been submitted/approved) located on the well pad; or into tanker trucks for offsite disposal. The flowback and stimulation fluid tanks must be placed on the frac pad in an area with additional downgradient perimeter berming and must be constructed to be sufficiently impervious to contain any spilled or released material. The site will be manned 24/7 during completion operations and period visual checks will be conducted to provide overflow monitoring of the tanks during flowback.</p> <p>The moisture content of any freshwater generated 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 the freshwater generated drill cuttings are to be onsite, they must also meet the applicable standards of table 910-1.</p>	01/07/2014
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. Operator shall notify the COGCC Oil and Gas Location Assessment (OGLA) Specialist for Western Colorado (Dave Kubeczko; email dave.kubeczko@state.co.us) and the COGCC Field Inspection Supervisor for Southwest Colorado (Steve Labowskie; email steve.labowskie@state.co.us) 48 hours prior to testing surface poly/steel or buried poly/steel pipelines.</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. This will reduce surface disturbance and fragmentation of wildlife habitat in the area.</p>	01/07/2014

OGLA	kubeczkd	<p>Operator must implement best management practices to contain any unintentional release of fluids, including any fluids conveyed via temporary surface pipelines or permanent buried pipelines. Additional containment shall be required where temporary or permanent pumps and other necessary equipment or chemicals are located.</p> <p>Operator must ensure 110 percent secondary containment for any volume of fluids contained at tank battery pad during 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 location will be stabilized, inspected at regular intervals (every 14 days at a minimum during the construction phase and at least every 30 days during operations period), and maintained in good condition.</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>The access road will be constructed and 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>Location is in a sensitive area due to shallow groundwater; therefore, either a closed loop system must be used (which operator has indicated on the Fprm 2A), or the drilling pit must be lined.</p>	01/07/2014
OGLA	kubeczkd	<p>Notify the COGCC 48 hours prior to start of pad construction, 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).</p> <p>Operator shall comply with Rule 609. STATEWIDE GROUNDWATER BASELINE SAMPLING AND MONITORING (as indicated on the Form 2A).</p>	01/07/2014

**S/A/V:** \_\_\_\_\_ **Comment:** \_\_\_\_\_

**CA:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Wildlife BMPs:**

BMP Type	Comment
Final Reclamation	<p>Equipment will be painted with dull, none reflective paint darker than the adjacent landscape.</p> <p>Noxious weeds will be controlled onsite by herbicide application based upon recommendations from the La Plata County weed control technical. Spraying will be applied by a professional.</p>
Drilling/Completion Operations	<p>A closed loop system will be used during drilling operations so a pit will be unnecessary. Multiple wells will be drilled from this pad to mitigate surface impacts.</p>
Construction	<p>The following BMPs may be employed during the construction phase:</p> <p>Erosion Control: Seeding, mulching, berms, checks dams, grading techniques</p> <p>Sediment Control: Erosion bales, sediment traps, gravel barriers, sediment basins</p>
Wildlife	<p>Assuming Current Rig Availability does not change, Catamount will avoid drilling operations from Dec. 1st- April 15th to minimize disturbance during this critical time period to wildlife.</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: 436010 Type: WELL API Number: 067-09902 Status: PR Insp. Status: PR

**Producing Well**

Comment: **PR**

Facility ID: 436011 Type: WELL API Number: 067-09903 Status: PR Insp. Status: PR

**Producing Well**

Comment: **PR**

**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: see pending reclamation inspection

Overall Interim Reclamation \_\_\_\_\_ Fail \_\_\_\_\_

**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 \_\_\_\_\_

Inspector Name: LABOWSKIE, STEVE

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
Gravel	Pass			MHSP	Pass	chemical tank
Compaction	Pass					

S/A/V: \_\_\_\_\_ Corrective Date: \_\_\_\_\_  
Comment: \_\_\_\_\_  
CA: \_\_\_\_\_

**Pits:**  NO SURFACE INDICATION OF PIT

**Attached Documents**

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

Document Num	Description	URL
667700766	fluid level #1 well tank (no 2ndry containment)	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3723361">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3723361</a>
667700767	fluid level #2 well tank (no 2ndry containment)	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3723362">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3723362</a>
667700768	infrared footage gas venting from buried equipment	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3723363">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3723363</a>

## **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.)