

**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:
12/01/2015Document Number:
673502965

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	426031	426032	COSTA, RYAN	<input type="checkbox"/>	

Operator Information:OGCC Operator Number: 10360Name of Operator: NAVEX RESOURCES LLCAddress: 4925 GREENVILLE AVENUE #915City: DALLAS State: TX Zip: 75206

- ☐ 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
CANNON ROBERT		bob2cannon@aol.com	
Freese, Steve		steve.freese@state.co.us	All State Surface Inspections
Paul Gottlob		paul.gottlob@iptenergyservice.com	
EVERETT DIANN		sinaguadiann@aol.com	
Ramos, Martha		martha.ramos@state.co.us	

Compliance Summary:QtrQtr: NWSW Sec: 16 Twp: 19S Range: 50W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
02/18/2015	673502146	PA	PA	ACTION REQUIRED		Fail	No
04/30/2014	668602587	PA	PA	ACTION REQUIRED		I	No

Inspector Comment:Reclamation Inspection**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
426031	WELL	PA	11/26/2011	DA	061-06866	State 16 1	PA	<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> </u>	Separators: <u>1</u>	Electric Motors: <u>1</u>
Gas or Diesel Mortors: <u> </u>	Cavity Pumps: <u> </u>	LACT Unit: <u> </u>	Pump Jacks: <u> </u>
Electric Generators: <u>1</u>	Gas Pipeline: <u> </u>	Oil Pipeline: <u> </u>	Water Pipeline: <u> </u>
Gas Compressors: <u>1</u>	VOC Combustor: <u> </u>	Oil Tanks: <u>2</u>	Dehydrator Units: <u> </u>
Multi-Well Pits: <u> </u>	Pigging Station: <u> </u>	Flare: <u> </u>	Fuel Tanks: <u>1</u>

Location

Inspector Name: COSTA, RYAN

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

Corrective Date: _____

Comment: _____

Corrective Action: _____

Spills:

Type	Area	Volume	Corrective action	CA Date
------	------	--------	-------------------	---------

☐ Multiple Spills and Releases?

Venting:

Yes/No	Comment

Flaring:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Predrill

Location ID: 426031

Site Preparation:

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

S/A/V: _____

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

Form 2A COAs:**S/A/V:** _____ **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: 426031 Type: WELL API Number: 061-06866 Status: PA Insp. Status: PA

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 : _____
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 REVEGETATIONCropland

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: A form 4 doc#400909812 was recieved on 10/1/2015 indicating final reclamation complete. This inspection was conducted to evaluate the reclamation requirements at the location.

Well plugged _____

Pit mouse/rat holes, cellars backfilled _____ Pass

Debris removed **Fail**

No disturbance /Location never built _____

Access Roads Regraded _____

Contoured _____

Culverts removed _____ Pass

Gravel removed _____ Pass

Location and associated production facilities reclaimed **Fail**

Locations, facilities, roads, recontoured _____ Pass

Compaction alleviation _____

Dust and erosion control _____ In

Non cropland: Revegetated 80% **Fail**

Cropland: perennial forage _____

Weeds present **Fail**

Subsidence _____ Pass

Comment: The vegetation is predominately weeds (kochia, russian thistle). Barbed wire was found at the north side of the location. It does not appear corrective actions of the previous inspection have been performed. SEE ATTACHED PHOTOS

Corrective Action: Remove wire debris. Control weed growth. Seed the location to establish vegetation to 80% of surrounding/reference area.

Date **05/31/2015**Overall Final Reclamation **Fail**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: _____

Corrective Date: _____

Comment: _____

CA: _____

Pits: ☐ NO SURFACE INDICATION OF PIT**COGCC Comments**

Comment	User	Date
Establish vegetation with total perennial non-invasive plant cover of at least eighty (80) percent of pre-disturbance or reference area levels. Use a seed mixture that matches the adjacent pastureland or a seed mixture requested by the landowner. Continue to monitor and manage this site until Final Reclamation has Passed.	CostaR	12/04/2015
The location does not meet the final reclamation requirements. Provide a reclamation plan by 12/31/2015, describing additional reclamation efforts which will need to be completed before the next growing season (March 31, 2016). This plan should provide details regarding reseeding the location, soil stabilization method-mulch type, seed mixture, seed application method, weed management, removal of wire, and a detailed schedule for reclamation activities. The plan should be submitted as an attachment to a Form 4.	CostaR	12/04/2015

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

Inspector Name: COSTA, RYAN

Document Num	Description	URL
673502965	INSPECTION APPROVED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3733835
673502966	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3733833

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.)