

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



Inspection Date:
04/27/2016
Document Number:
666802099
Overall Inspection:
SATISFACTORY

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>424221</u>	<u>424213</u>	<u>Murray, Richard</u>	<input type="checkbox"/>	

Operator Information:

OGCC Operator Number:	<u>10531</u>
Name of Operator:	<u>VANGUARD OPERATING LLC</u>
Address:	<u>5847 SAN FELIPE #3000</u>
City:	<u>HOUSTON</u> State: <u>TX</u> Zip: <u>77057</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
Axelson, Aaron	970-230-0926	aaxelson@vnrlc.com	Sr. Production Foreman
Ghan, Scott		sghan@vnrlc.com	Sr. EH&S

Compliance Summary:

QtrQtr: Lot 4 Sec: 6 Twp: 7S Range: 91W

Inspector Comment:

Drilling permits expired 8/2015, Form 2 on file to repermit wells

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
424221	WELL	XX	06/19/2013	LO	045-20850	Miller 13B-6-791	XX	<input checked="" type="checkbox"/>
424222	WELL	XX	06/19/2013	LO	045-20851	Miller 13D-6-791	XX	<input checked="" type="checkbox"/>
424223	WELL	XX	06/19/2013	LO	045-20852	Miller 13A-6-791	XX	<input checked="" type="checkbox"/>
424225	WELL	XX	06/19/2013	LO	045-20853	Miller 13C-6-791	XX	<input checked="" type="checkbox"/>
424230	WELL	XX	06/19/2013	LO	045-20854	Miller 12A-6-791	XX	<input checked="" type="checkbox"/>
424853	WELL	XX	07/09/2013	LO	045-20976	Miller 44A-36-692	XX	<input checked="" type="checkbox"/>
424869	WELL	XX	07/09/2013	LO	045-20977	MILLER 44B-36-692	XX	<input checked="" type="checkbox"/>
424873	WELL	XX	07/09/2013	LO	045-20978	Miller 44C-36-692	XX	<input checked="" type="checkbox"/>

Equipment:

Location Inventory

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Inspector Name: Murray, Richard

Special Purpose Pits: _____	Drilling Pits: <u>1</u>	Wells: <u>8</u>	Production Pits: _____
Condensate Tanks: <u>4</u>	Water Tanks: <u>2</u>	Separators: <u>2</u>	Electric Motors: _____
Gas or Diesel Mortors: _____	Cavity Pumps: _____	LACT Unit: _____	Pump Jacks: _____
Electric Generators: _____	Gas Pipeline: <u>1</u>	Oil Pipeline: _____	Water Pipeline: <u>2</u>
Gas Compressors: _____	VOC Combustor: <u>1</u>	Oil Tanks: _____	Dehydrator Units: _____
Multi-Well Pits: _____	Pigging Station: _____	Flare: _____	Fuel Tanks: _____

Location

Lease Road:

Type	Satisfactory/Action Required	comment	Corrective Action	Date

Signs/Marker:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Emergency Contact Number (S/AR): _____ Corrective Date: _____

Comment: _____

Corrective Action: _____

Good Housekeeping:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Spills:

Type	Area	Volume	Corrective action	CA Date

Multiple Spills and Releases?

Fencing/:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Equipment:

Type:	#	Satisfactory/Action Required:	Date:
Comment			
Corrective Action			

Venting:

Yes/No	Comment

Flaring:

Type	Satisfactory/Action Required
Comment:	
Corrective Action:	
	Correct Action Date:

Predrill

Location ID: 424221

Site Preparation:

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

S/AR: _____

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

Form 2A COAs:

Group	User	Comment	Date
OGLA	kubeczkd	Notify the COGCC 48 hours prior to start of pad construction, rig mobilization, spud, pipeline testing, start of hydraulic stimulation operations, and start of flowback operations using Form 42 (the appropriate COGCC individuals will automatically be email notified, including the LGD for hydraulic stimulation operations).	07/16/2014
OGLA	kubeczkd	Operator must ensure 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. Any berm constructed at the well pad location will be stabilized, inspected at regular intervals (at least every 14 days), and maintained in good condition. 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. 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.	07/16/2014
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 (if installed) and following any reconfiguration of the pipeline network.	07/16/2014
OGLA	kubeczkd	The moisture content of any 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. If the wells are to be hydraulically stimulated, flowback and stimulation fluids must be sent to tanks, separators, or other containment/filtering equipment before the fluids can be placed into any pipeline or storage vessel located on the well pad; or into tanker trucks for offsite disposal. The flowback and stimulation fluid tanks, separators, or other containment/filtering equipment must be placed on the well pad in an area constructed to be sufficiently impervious to contain any spilled or released material.	07/16/2014

S/AR: SATISFACTORY

Comment: No drilling at time of inspection

CA: _____

Date: _____

Wildlife BMPs:

BMP Type	Comment
Storm Water/Erosion Control	<p>STORM WATER BEST MANAGEMENT PRACTICES BILL BARRETT CORPORATION GENERAL BMPs</p> <ul style="list-style-type: none"> • Utilize diking and other forms of containment and diversions around tanks, drums, chemicals, liquids, pits, and impoundments • Use drip pans, sumps, or liners where appropriate • Limit the amount of land disturbed during construction of pad, access road, and facilities • Employ spill response plan for all facilities • Dispose properly offsite any wastes fluids and other materials <p>MATERIAL HANDLING, ACTIVITIES, PRACTICES AND STORM WATER DIVERSION</p> <ul style="list-style-type: none"> • Secondary containment of tanks, drums, and storage areas is mandatory to prohibit discharges to surface waters. A minimum of 110% capacity required of largest storage within containment area • Material handling and spill prevention procedures and practices will be followed to prohibit discharges to surface waters • Proper loading, and transportation procedures to be followed for all materials to and from locations <p>EROSION CONTROL GENERAL</p> <ul style="list-style-type: none"> • Pad and access road to be designed to minimize erosion • Pad and access road to implement appropriate erosion control devices where necessary to minimize erosion • Routine inspections of sites and controls to be implemented with additions, repairs, and optimization to occur as necessary to minimize erosion <p>EROSION CONTROL SPECIFIC TO PROTECT NEARBY IRRIGATION DITCH</p> <ul style="list-style-type: none"> • Seed and install erosion control blankets on all fill slopes. Erosion control blankets must be designed for installation and sediment on 1 1/2: 1 or steeper slopes; • Install a 3' compacted, earthen perimeter berm on the pad surface at the top of all fill slopes. This perimeter berm should tie into the cut slopes and provide 360° containment of the pad; and • install a diversion ditch and sediment basins at the toe of all fill slopes to collect any sediment and redirect stormwater away from the irrigation ditches. <p>SELF INSPECTION, MAINTANENCE, AND HOUSEKEEPING</p> <ul style="list-style-type: none"> • All employees are trained in spill response, good housekeeping, material management practices, and procedures for equipment and container washing at least once per year • Conduct internal storm water inspections at least semi-annually and within 24 hours of a heavy rain event • Conduct routine inspections of all tanks and storage facilities at least weekly • All containment areas are to be inspected weekly or following a heavy rain event. • Any excessive precipitation accumulation within containment should be removed and disposed of properly • All structural berms, dikes, and containment will be inspected periodically to ensure they are operating correctly • Minimum of an annual storm water BMP inspection and outcome report documenting status, including repairs <p>SPILL RESPONSE</p> <ul style="list-style-type: none"> • Follow spill response procedures • If spill occurs: <ul style="list-style-type: none"> o Safely stop the source of the spill immediately o Contain the spill until clean-up is complete o Cover spill with appropriate absorbent material o Keep the area well ventilated o Dispose of clean-up materials properly o Do not use emulsifier or dispersant <p>VEHICLE & LOCATION PROCEDURES</p> <ul style="list-style-type: none"> • Vehicles entering location are to be free of chemical, oil, mud, weeds, trash, and debris • Location to be treated to kill weeds and bladed when necessary <p>Bill Barrett Corp. – CDPHE Stormwater Permit Number: CPR-039752</p>

<p>Drilling/Completion Operations</p>	<p>BBC GENERAL PRACTICES</p> <p>NOTIFICATIONS</p> <ul style="list-style-type: none"> • Proper notifications required by COGCC regulations or policy memos will be adhered to <p>TRENCHES/PITS/TEMPORARY FRAC TANKS</p> <ul style="list-style-type: none"> • Unlined pits will not be constructed on fill material. • Drill cuttings from the wellbore will be directed into a lined and bermed surface containment. Any free liquids accumulated in the containment would be removed as soon as practicable. • Drilling pits utilized for completion operations will be permitted (if applicable) and lined, operated in accordance with COGCC regulations, specifically Rule 903 and Rule 904. All permitted pits (Form 15) will be closed per Rule 905 and non-permitted drilling pits would be closed in accordance with Rule 1003. • Drilling pits used for completion will be fenced with appropriate wildlife mesh on the bottom portion. Appropriate netting will be installed within 30 days of the pit becoming inactive. • Flowback and stimulation fluids from the wells being completed will be sent to tanks and/or filters to allow the sand to settle out before the fluids are placed into the pit for reuse or disposal at a BBC SWD facility. • All flowback water will be confined to the lined completion pit or storage tanks for a period not to exceed ninety days and will be recycled for re-use, piped or trucked offsite to one of the approved disposal facilities below. Flowback sands stored on location will be remediated and buried on location or hauled to a state approved disposal facility. <ul style="list-style-type: none"> o Circle B Land 33A-35-692SWD, API# 05-045-18493, UIC# 159277 o GGU Rodreick #21B-31-691 SWD, API# 05-045-13803, UIC# 159176 o Specialty #13A-28-692 SWD, API# 05-045-14054, UIC# 159212 o Scott 41D-36-692 SWD, API# 05-045-11169, UIC# 159159 • Temporary frac tanks installed on location will have proper secondary containment according to SPCC regulations such as either putting a perimeter berm around location or around the frac tanks.
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<p>Storm Water/Erosion Control</p>	<p>STORM WATER BEST MANAGEMENT PRACTICES</p> <p>BILL BARRETT CORPORATION</p> <p>GENERAL BMPs</p> <ul style="list-style-type: none"> • Utilize diking and other forms of containment and diversions around tanks, drums, chemicals,

liquids, pits, and impoundments

- Use drip pans, sumps, or liners where appropriate
- Limit the amount of land disturbed during construction of pad, access road, and facilities
- Employ spill response plan for all facilities
- Dispose properly offsite any wastes fluids and other materials

MATERIAL HANDLING, ACTIVITIES, PRACTICES AND STORM WATER DIVERSION

- Secondary containment of tanks, drums, and storage areas is mandatory to prohibit discharges to surface waters. A minimum of 110% capacity required of largest storage within containment area
- Material handling and spill prevention procedures and practices will be followed to prohibit discharges to surface waters
- Proper loading, and transportation procedures to be followed for all materials to and from locations

EROSION CONTROL GENERAL

- Pad and access road to be designed to minimize erosion
- Pad and access road to implement appropriate erosion control devices where necessary to minimize erosion
- Routine inspections of sites and controls to be implemented with additions, repairs, and optimization to occur as necessary to minimize erosion

EROSION CONTROL SPECIFIC TO PROTECT NEARBY IRRIGATION DITCH

- Seed and install erosion control blankets on all fill slopes. Erosion control blankets must be designed for installation and sediment on 1 1/2: 1 or steeper slopes;
- Install a 3' compacted, earthen perimeter berm on the pad surface at the top of all fill slopes. This perimeter berm should tie into the cut slopes and provide 360° containment of the pad; and
- install a diversion ditch and sediment basins at the toe of all fill slopes to collect any sediment and redirect stormwater away from the irrigation ditches.

SELF INSPECTION, MAINTANENCE, AND HOUSEKEEPING

- All employees are trained in spill response, good housekeeping, material management practices, and procedures for equipment and container washing at least once per year
- Conduct internal storm water inspections at least semi-annually and within 24 hours of a heavy rain event
- Conduct routine inspections of all tanks and storage facilities at least weekly
- All containment areas are to be inspected weekly or following a heavy rain event.
- Any excessive precipitation accumulation within containment should be removed and disposed of properly
- All structural berms, dikes, and containment will be inspected periodically to ensure they are operating correctly
- Minimum of an annual storm water BMP inspection and outcome report documenting status, including repairs

SPILL RESPONSE

- Follow spill response procedures
- If spill occurs:
 - o Safely stop the source of the spill immediately
 - o Contain the spill until clean-up is complete
 - o Cover spill with appropriate absorbent material
 - o Keep the area well ventilated
 - o Dispose of clean-up materials properly
 - o Do not use emulsifier or dispersant

VEHICLE & LOCATION PROCEDURES

- Vehicles entering location are to be free of chemical, oil, mud, weeds, trash, and debris
- Location to be treated to kill weeds and bladed when necessary

Bill Barrett Corp. – CDPHE Stormwater Permit Number: CPR-039752

Wildlife	<p>WILDLIFE BEST MANAGEMENT PRACTICES GENERAL WILDLIFE AND ENVIRONMENTAL PROTECTION MEASURES: – Establish policies to protect wildlife (e.g., no poaching, no firearms, no dogs on location, no feeding of wildlife, etc.) – Promptly report spills that affect wildlife to the Water Quality Control Division of CDPHE and CDOW – Avoid location staging, refueling, and storage areas within 300 feet, of any reservoir, lake, wetland, or natural perennial or seasonal flowing stream or river.</p> <p>INFRASTRUCTURE LAYOUT WILDLIFE PROTECTION MEASURES: – Implementing fugitive dust control measures – limit parking to disturber areas</p> <p>DRILLING AND PRODUCTION OPERATION WILDLIFE PROTECTION MEASURES: – Reduce visits to well-sites through remote monitoring (i.e. SCADA) and the use of multifunction contractors. – Install exclusionary device to prevent bird and other wildlife access to equipment stacks, vents and openings. – Establish company guidelines to minimize wildlife mortality from vehicle collision on roads.</p> <p>FLUID PIT/POND WILDLIFE PROTECTION MEASURES: – Install and maintain adequate measures to exclude all types of wildlife (e.g., big game and birds) from all fluid pits/ponds with fencing, flagging and other appropriate exclusion measures). BBC currently installs 6' wildlife proof fences on all freshwater ponds.</p> <p>INVASIVE/NON-NATIVE VEGETATION CONTROL: – Educate employees and contractors about noxious and invasive weed issues. –</p> <p>RESTORATION, RECLAMATION AND ABANDONMENT: – Avoid aggressive non-native grasses and shrubs in mule deer and elk habitat restorations. – Revegetate with seed mixtures that are of the surface owner's preference that are compatible with both livestock and wildlife.</p>
Wildlife	<p>WILDLIFE BEST MANAGEMENT PRACTICES GENERAL WILDLIFE AND ENVIRONMENTAL PROTECTION MEASURES: – Establish policies to protect wildlife (e.g., no poaching, no firearms, no dogs on location, no feeding of wildlife, etc.) – Promptly report spills that affect wildlife to the Water Quality Control Division of CDPHE and CDOW – Avoid location staging, refueling, and storage areas within 300 feet, of any reservoir, lake, wetland, or natural perennial or seasonal flowing stream or river.</p> <p>INFRASTRUCTURE LAYOUT WILDLIFE PROTECTION MEASURES: – Implementing fugitive dust control measures – limit parking to disturber areas</p> <p>DRILLING AND PRODUCTION OPERATION WILDLIFE PROTECTION MEASURES: – Reduce visits to well-sites through remote monitoring (i.e. SCADA) and the use of multifunction contractors. – Install exclusionary device to prevent bird and other wildlife access to equipment stacks, vents and openings. – Establish company guidelines to minimize wildlife mortality from vehicle collision on roads.</p> <p>FLUID PIT/POND WILDLIFE PROTECTION MEASURES: – Install and maintain adequate measures to exclude all types of wildlife (e.g., big game and birds) from all fluid pits/ponds with fencing, flagging and other appropriate exclusion measures). BBC currently installs 6' wildlife proof fences on all freshwater ponds.</p> <p>INVASIVE/NON-NATIVE VEGETATION CONTROL: – Educate employees and contractors about noxious and invasive weed issues. –</p> <p>RESTORATION, RECLAMATION AND ABANDONMENT: – Avoid aggressive non-native grasses and shrubs in mule deer and elk habitat restorations. – Revegetate with seed mixtures that are of the surface owner's preference that are compatible with both livestock and wildlife.</p>

S/IAR: SATISFACTORY **Comment:** No operations at time of inspection

CA: **Date:**

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: 424221	Type: WELL	API Number: 045-20850	Status: XX	Insp. Status: XX
Facility ID: 424222	Type: WELL	API Number: 045-20851	Status: XX	Insp. Status: XX
Facility ID: 424223	Type: WELL	API Number: 045-20852	Status: XX	Insp. Status: XX
Facility ID: 424225	Type: WELL	API Number: 045-20853	Status: XX	Insp. Status: XX
Facility ID: 424230	Type: WELL	API Number: 045-20854	Status: XX	Insp. Status: XX
Facility ID: 424853	Type: WELL	API Number: 045-20976	Status: XX	Insp. Status: XX
Facility ID: 424869	Type: WELL	API Number: 045-20977	Status: XX	Insp. Status: XX
Facility ID: 424873	Type: WELL	API Number: 045-20978	Status: XX	Insp. Status: XX

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: _____ 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. Waste and Debris removed? _____

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 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 Pass

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: _____

Corrective Date: _____

Comment: _____

CA: _____

Pits: NO SURFACE INDICATION OF PIT