

**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:

06/08/2016

Document Number:

684901460

Overall Inspection:

SATISFACTORY w/ CMT
or AR**FIELD INSPECTION FORM**

| | | | | | |
|---------------------|-------------|--------|-----------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | 421249 | 421249 | Pesicka, Conor | <input type="checkbox"/> | |

Operator Information:OGCC Operator Number: 10373Name of Operator: NGL WATER SOLUTIONS DJ LLCAddress: 3773 CHERRY CRK NORTH DR #1000City: DENVER State: CO Zip: 80209

- ☐ 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 |
|-------------------|--------------|----------------------------|------------------|
| Patterson, Joshua | 970.356.5560 | Joshua.Patterson@nglep.com | VP of Operations |

Compliance Summary:QtrQtr: NESE Sec: 29 Twp: 11N Range: 62W**Inspector Comment:****Related Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status | |
|-------------|--------------|--------|-------------|------------|-----------|-----------------|-------------|-------------------------------------|
| 159354 | UIC DISPOSAL | AC | 01/14/2011 | | - | NGL FACILITY C8 | AC | <input checked="" type="checkbox"/> |
| 421228 | WELL | IJ | 12/29/2010 | DSPW | 123-32858 | NGL C8A | AC | <input checked="" type="checkbox"/> |
| 421233 | WELL | IJ | 12/28/2012 | DSPW | 123-32860 | NGL C8B | AC | <input checked="" type="checkbox"/> |

Equipment:**Location Inventory**

| | | | |
|------------------------------|-------------------------|---------------------|-------------------------|
| Special Purpose Pits: _____ | Drilling Pits: <u>1</u> | Wells: <u>2</u> | Production Pits: _____ |
| Condensate Tanks: _____ | Water Tanks: <u>20</u> | 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: <u>4</u> | 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 |
| TANK LABELS/PLACARDS | ACTION REQUIRED | Conical tanks missing safety placard | Install sign to comply with rule 210d. | 08/08/2016 |
| BATTERY | SATISFACTORY | | | |
| WELLHEAD | SATISFACTORY | | | |

Emergency Contact Number (S/AR): SATISFACTORY

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: Ancillary equipment | # 2 | Satisfactory/Action Required: | SATISFACTORY |
| Comment | pumps- 2, empty | | |
| Corrective Action | | | Date: |

| Facilities: | | | | |
|-----------------------------------|----------------|----------|--------------|-----------------------|
| <input type="checkbox"/> New Tank | Tank ID: _____ | | | |
| Contents | # | Capacity | Type | SE GPS |
| PRODUCED WATER | 2 | OTHER | STEEL AST | 40.894960,-104.335460 |
| S/AR | SATISFACTORY | Comment: | Polish tanks | |
| Corrective Action: | | | | Corrective Date: |

| Paint | | | | |
|------------------|----------|--|--|--|
| Condition | Adequate | | | |
| Other (Content) | | | | |
| Other (Capacity) | 825bbl | | | |
| Other (Type) | | | | |

| Berms | | | | |
|-------------------|----------------------------|---------------------|---------------------|-----------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| | | | | |
| Corrective Action | | | | Corrective Date |
| Comment | shared with produced water | | | |

| Facilities: | | | | |
|-----------------------------------|----------------|--|--|--|
| <input type="checkbox"/> New Tank | Tank ID: _____ | | | |

Inspector Name: Pesicka, Conor

| | | | | |
|--------------------|--------------|----------|------------------------|-----------------------|
| Contents | # | Capacity | Type | SE GPS |
| PRODUCED WATER | 2 | OTHER | OTHER | 40.894960,-104.335460 |
| S/AR | SATISFACTORY | | Comment: conical tanks | |
| Corrective Action: | | | | Corrective Date: |

Paint

| | |
|-----------|----------|
| Condition | Adequate |
|-----------|----------|

Other (Content) _____

Other (Capacity) 744bbl _____

Other (Type) conical _____

Berms

| | | | | |
|------------------------------------|----------|---------------------|---------------------|-----------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| | | | | |
| Corrective Action | | | | Corrective Date |
| Comment shared with produced water | | | | |

Facilities: ☐ New Tank Tank ID: _____

| | | | | |
|--------------------|--------------|----------|----------------|-----------------------|
| Contents | # | Capacity | Type | SE GPS |
| PRODUCED WATER | 2 | 500 BBLS | FIBERGLASS AST | 40.894960,-104.335460 |
| S/AR | SATISFACTORY | | Comment: | |
| Corrective Action: | | | | Corrective Date: |

Paint

| | |
|-----------|----------|
| Condition | Adequate |
|-----------|----------|

Other (Content) _____

Other (Capacity) 543bbl _____

Other (Type) _____

Berms

| | | | | |
|------------------------------------|----------|---------------------|---------------------|-----------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| | | | | |
| Corrective Action | | | | Corrective Date |
| Comment shared with produced water | | | | |

Facilities: ☐ New Tank Tank ID: _____

| | | | | |
|--------------------|--------------|----------|----------------|-----------------------|
| Contents | # | Capacity | Type | SE GPS |
| PRODUCED WATER | 2 | 500 BBLS | FIBERGLASS AST | 40.894960,-104.335460 |
| S/AR | SATISFACTORY | | Comment: | |
| Corrective Action: | | | | Corrective Date: |

Paint

| | |
|-----------|----------|
| Condition | Adequate |
|-----------|----------|

Other (Content) _____

Other (Capacity) 508bbl _____

Other (Type) _____

Berms

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

Inspector Name: Pesicka, Conor

| | | | |
|-------------------------|--------------|---|-----------------------|
| Corrective Action | | Corrective Date | |
| Comment | | shared with produced water | |
| Facilities: | | <input type="checkbox"/> New Tank Tank ID: _____ | |
| Contents | # | Capacity | SE GPS |
| PRODUCED WATER | 2 | 100 BBLS | 40.894960,-104.335460 |
| S/AR | SATISFACTORY | Comment: HWSB | |
| Corrective Action: | | Corrective Date: | |
| <u>Paint</u> | | | |
| Condition | Adequate | | |
| Other (Content) _____ | | | |
| Other (Capacity) _____ | | | |
| Other (Type) _____ | | | |
| <u>Berms</u> | | | |
| Type | Capacity | Permeability (Wall) | Maintenance |
| | | | |
| Corrective Action | | Corrective Date | |
| Comment | | shared with produced water | |
| Facilities: | | <input type="checkbox"/> New Tank Tank ID: _____ | |
| Contents | # | Capacity | SE GPS |
| PRODUCED WATER | 6 | OTHER | 40.894960,-104.335460 |
| S/AR | SATISFACTORY | Comment: | |
| Corrective Action: | | Corrective Date: | |
| <u>Paint</u> | | | |
| Condition | Adequate | | |
| Other (Content) _____ | | | |
| Other (Capacity) 660bbl | | | |
| Other (Type) _____ | | | |
| <u>Berms</u> | | | |
| Type | Capacity | Permeability (Wall) | Maintenance |
| | | | |
| Corrective Action | | Corrective Date | |
| Comment | | shared with produced water | |
| Facilities: | | <input type="checkbox"/> New Tank Tank ID: _____ | |
| Contents | # | Capacity | SE GPS |
| CRUDE OIL | 9 | 400 BBLS | 40.894960,-104.335460 |
| S/AR | SATISFACTORY | Comment: | |
| Corrective Action: | | Corrective Date: | |
| <u>Paint</u> | | | |
| Condition | Adequate | | |
| Other (Content) _____ | | | |

Inspector Name: Pesicka, Conor

Other (Capacity) _____

Other (Type) _____

Berms

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

| | | | |
|-------------------|--|-----------------|--|
| Corrective Action | | Corrective Date | |
|-------------------|--|-----------------|--|

| | |
|---------|----------------------------|
| Comment | Shared with produced water |
|---------|----------------------------|

Facilities: ☐ New Tank Tank ID: _____

| Contents | # | Capacity | Type | SE GPS |
|----------------|----|----------|----------------|-----------------------|
| PRODUCED WATER | 12 | 500 BBLs | FIBERGLASS AST | 40.894960,-104.335460 |

| | | | |
|------|--------------|----------|--|
| S/AR | SATISFACTORY | Comment: | |
|------|--------------|----------|--|

| | | | |
|--------------------|--|------------------|--|
| Corrective Action: | | Corrective Date: | |
|--------------------|--|------------------|--|

Paint

| | |
|-----------|----------|
| Condition | Adequate |
|-----------|----------|

Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

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

| | | | |
|-------------------|--|-----------------|--|
| Corrective Action | | Corrective Date | |
|-------------------|--|-----------------|--|

| | |
|---------|--|
| Comment | |
|---------|--|

Venting:

| | |
|--------|----|
| Yes/No | NO |
|--------|----|

| | |
|---------|--|
| Comment | |
|---------|--|

Flaring:

| | | | |
|------|--|------------------------------|--|
| Type | | Satisfactory/Action Required | |
|------|--|------------------------------|--|

| | |
|----------|--|
| Comment: | |
|----------|--|

| | | | |
|--------------------|--|----------------------|--|
| Corrective Action: | | Correct Action Date: | |
|--------------------|--|----------------------|--|

Predrill

Location ID: 421249

Lease Road Adeq.: _____

Pads: _____

Soil Stockpile: _____

S/AR: _____

Corrective Action: _____

Date: _____

CDP Num.: _____

Form 2A COAs:

| Group | User | Comment | Date |
|-------|----------|---|------------|
| OGLA | allisonr | Location is in a sensitive area because of proximity to a domestic water well; therefore either a lined drilling pit or closed loop system is required. | 01/18/2011 |

S/AR: _____ Comment: _____

CA: _____ Date: _____

Wildlife BMPs:

S/AR: _____ Comment: _____

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: 159354 Type: UIC API Number: - Status: AC Insp. Status: AC

Facility ID: 421228 Type: WELL API Number: 123-32858 Status: IJ Insp. Status: AC

Underground Injection Control

UIC Violation: _____

Maximum Injection Pressure: _____

UIC RoutineInj./Tube: Pressure or inches of Hg 0
(e.g. 30 psig or -30" Hg)

Previous Test Pressure _____

MPP _____

Inj Zone: ADMI

TC: Pressure or inches of Hg 0

Previous Test Pressure _____

Last MIT: 12/02/2011

Brhd: Pressure or inches of Hg 0

Previous Test Pressure _____

AnnMTReq: YES

Comment: Last MIT was 2011, MIT required within the year. Well currently not injecting.

Method of Injection: PUMP FEED

Test Type: _____

Tbg psi: _____

Csg psi: _____

BH psi: _____

Insp. Status: _____

Comment: _____

BradenHead

Comment: Bradenhead plumbed to surface

CA: _____

CA Date: _____

Facility ID: 421233 Type: WELL API Number: 123-32860 Status: IJ Insp. Status: AC

Underground Injection Control

UIC Violation: _____

Maximum Injection Pressure: _____

UIC RoutineInj./Tube: Pressure or inches of Hg 880
(e.g. 30 psig or -30" Hg)

Previous Test Pressure _____

MPP _____

Inj Zone: LYNS

TC: Pressure or inches of Hg 0

Previous Test Pressure _____

Last MIT: 11/07/2012

Brhd: Pressure or inches of Hg 0

Previous Test Pressure _____

AnnMTReq: NO

Comment: Not currently injecting, injected at 880psi in the morning.

Method of Injection: _____

Test Type: _____

Tbg psi: _____

Csg psi: _____

BH psi: _____

Insp. Status: _____

Comment: _____

BradenHead

Comment: Bradenhead plumbed to surface

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:

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: DRY LAND

Comment: _____

1003a. Waste and Debris removed? Pass

CM _____

CA _____

CA Date _____

Unused or unneeded equipment onsite? Pass

CM _____

CA _____

CA Date _____

Pit, cellars, rat holes and other bores closed? Pass

CM _____

CA _____

CA Date _____

Guy line anchors marked? _____

CM _____

CA _____

CA Date _____

1003b. Area no longer in use? InProduction areas stabilized ? Pass

1003c. Compacted areas have been cross ripped? _____

1003d. Drilling pit closed? PassSubsidence over on drill pit? Pass

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: COMMERCIAL

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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Berms | Pass | Gravel | Pass | | | |
| Seeding | Pass | | | | | |
| Gravel | Pass | | | | | |
| Ditches | Pass | Culverts | Pass | | | |
| Slope Roughening | Pass | | | | | |

S/A/V: SATISFACTOR

Corrective Date: _____

Y

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 |
|--------------|------------------------------------|---|
| 684901460 | INSPECTION APPROVED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3874894 |
| 684901461 | No safety placard on conical tanks | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3874889 |