

**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:

08/22/2016

Document Number:

673403537

Overall Inspection:

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

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	446527	446527	Waldron, Emily	<input type="checkbox"/>	

Operator Information:OGCC Operator Number: 10598Name of Operator: SANDRIDGE EXPLORATION & PRODUCTION LLCAddress: 123 ROBERT S KERR AVECity: OKLAHOMA CITY State: OK Zip: 73102

- ☐ 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
James, Michael		mjames@sandridgeenergy.com	
Laird, Spence		slaird@sandridgeenergy.com	
Niven, Jason	405-441-0155	jniven@sandridgeenergy.com	

Compliance Summary:QtrQtr: NESW Sec: 16 Twp: 7N Range: 80W**Inspector Comment:****Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
446804	WELL	XX	07/22/2016		057-06560	Ray Ranch 0780 5-16H	XX
446805	WELL	XX	07/22/2016		057-06561	Ray Ranch 0780 6-16H	XX
446806	WELL	XX	07/22/2016		057-06562	Evans 0780 5-21H	XX
446807	WELL	XX	07/22/2016		057-06563	Ray Ranch 0780 8-16H	XX
446808	WELL	XX	07/22/2016		057-06564	Ray Ranch 0780 7-16H	XX
446809	WELL	XX	07/22/2016		057-06565	Evans 0780 8-21H	DG
446810	WELL	XX	07/22/2016		057-06566	Evans 0780 6-21H	XX
446811	WELL	XX	07/22/2016		057-06567	Evans 0780 7-21H	XX

Equipment:**Location Inventory**

Special Purpose Pits: _____	Drilling Pits: _____	Wells: <u>8</u>	Production Pits: _____
Condensate Tanks: _____	Water Tanks: <u>3</u>	Separators: <u>8</u>	Electric Motors: _____
Gas or Diesel Motors: _____	Cavity Pumps: _____	LACT Unit: <u>1</u>	Pump Jacks: <u>8</u>
Electric Generators: _____	Gas Pipeline: _____	Oil Pipeline: _____	Water Pipeline: _____
Gas Compressors: _____	VOC Combustor: <u>1</u>	Oil Tanks: <u>7</u>	Dehydrator Units: _____
Multi-Well Pits: _____	Pigging Station: _____	Flare: _____	Fuel Tanks: _____

Location

Inspector Name: Waldron, Emily

Signs/Marker:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
DRILLING/RECOMP	SATISFACTORY			

Emergency Contact Number (S/AR): SATISFACTORY 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:		Correct Action Date:	

Predrill

Location ID: 446527

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

S/AR: _____

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

Form 2A COAs:

Group	User	Comment	Date
OGLA	kubeczkd	<p>Operator must ensure secondary containment for any volume of fluids contained at the well pad and tank battery location during drilling operations, completion operations, truck tank loading operations, and production 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 fluid containment/control as well as stormwater management for the control of run-on and run-off) sufficiently protective of nearby surface water. Any berm constructed at the well pad location will be stabilized, inspected at regular intervals as required by CDPHE (at least every 14 days and after precipitation events), and maintained in good condition. The design/build of any perimeter berm shall be sized, constructed, and compacted sufficiently to contain fluids during drilling and completion operations; as well as truck tank loading and production operations.</p> <p>The access road will be constructed and maintained as to not allow 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 encouraging established speed limits on private roads, to reduce fugitive dust and coating of vegetation and deposition in water sources.</p> <p>Berms or other containment devices shall be constructed to be sufficiently impervious (corrugated steel with poly liner or equivalent protection) to contain any spilled or released material around permanent oil and produced water storage tanks.</p> <p>Operator will construct a loading/unloading station located near the tank battery, to deliver fluids to or remove fluids from the oil and produced water storage tanks by truck. The loading/unloading station shall be designed and utilized to prevent hoses from being dropped and dragged over the ground, which could lead to releases outside of containment. The loading/unloading station will be the only permitted access for manual fluids transfers to or from the storage tanks. Vehicles will not be allowed to approach the storage tanks any closer than the loading/unloading station. Each station will be constructed to be sufficiently impervious to contain any spilled or released material and have a catch basin in case a leak occurs while operations personnel are connecting or disconnecting hoses. Signs clearly marking the truck loading/unloading station shall be provided and maintained by the operator.</p> <p>This COA applies to vehicles (oil and water trucks) used for pulling water or oil from the loadout station, not directly from the tanks, unless there is equipment problems at the loadout station, in which case, water and oil trucks could then pull directly from the individual tanks. Also, if operator needs to remove/repair/replace a tank, then such equipment necessary to perform the work (water truck, vacuum truck, crane truck) would be allowed as close to the tank battery area and individual tanks as necessary.</p> <p>Operator shall submit a scaled as-built drawing (plan view with distances) of the Ray Ranch 0780 16 well pad and tank battery location (showing oil and produced water storage tanks, onsite flowlines, offsite pipelines, and other production facilities) and the nearby well pad location, OGCC ID# 438250-Evans 0780 21 Pad, (showing wellheads, onsite flowlines, offsite pipelines, pumping jacks, and onsite production facilities) within 30 calendar days of construction of the production equipment on each location.</p>	06/22/2016

OGLA	kubeczkd	<p>In addition to the notifications required by COGCC listed in the Northwest Notification Policy (Notice of Intent to construct a new location) and Rule 316C. COGCC Form 42. FIELD OPERATIONS NOTICE (c. Notice of Construction or Major Change); operator shall notify the COGCC 48 hours prior to pipeline testing (flowlines from the wellheads to separators to heater treater to storage tanks on this well pad/tank battery as well as the separators on the nearby well pads to the storage tanks on this well pad/tank battery location and/or any lines associated with truck loading operations) using the Form 42 (as described in Rule 316C.m. Notice of Completion of Form 2/2A Permit Conditions). The appropriate COGCC individuals will automatically be email notified.</p> <p>Any changes to this well pad and tank battery location based on CPW's wildlife BMPs will require submittal (via a Form 4 Sundry Notice) of revised attachments (Access Road Map, Location Drawing, Construction Layout Drawings, Facility Layout Drawing) and any changes in distances to cultural features or water resources.</p>	06/22/2016
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.	06/22/2016
OGLA	kubeczkd	<p>A closed loop system must be implemented during drilling (as indicated on the Form 2 and Form 2A). All cuttings generated during drilling with oil based mud (OBM) must be segregated from water/bentonite based mud-(WBM-) generated drill cuttings and placed separately on the well pad. All OBM-generated drill cuttings must be kept in tanks/containers, or placed on a lined/bermed portion of the well pad; prior to disposition. The moisture content of any OBM-generated drill cuttings in a tank, cuttings containment area, or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts. The operator has indicated that 'Cuttings Disposal' will be "OFFSITE" and that the 'Cuttings Disposal Method' will be "COMMERCIAL DISPOSAL" (as shown in the 'DRILLING WASTE MANAGEMENT PROGRAM SECTION' of the Form 2A#401011921; OGCC ID#438250). All liners associated with oil-based drilling mud and OBM-generated drill cuttings must be disposed of offsite per CDPHE rules and regulations. Any changes to drill cuttings management and disposal at this location will require submittal (via a Form 4 Sundry Notice) and approval of a Waste Management Plan detailing the changes (specifying cuttings characterization methods, cuttings management, amendment, and onsite disposal location[s]).</p> <p>Flowback and stimulation fluids must be sent to enclosed tanks, separators, or other containment/filtering equipment before the fluids can be placed into any pipeline storage vessel, or other open top containment located on the well pad; or into tanker trucks for offsite disposal. No open top tanks can be used for initial flowback fluids containment. 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. No additional downgradient berming is required if operator constructs a sufficiently sized perimeter berm.</p> <p>Potential odors associated with the completions process and/or with long term production operations must be controlled/mitigated.</p> <p>Operator shall follow all requirements of COGCC's current policy - NOTICE TO OPERATORS, Rule 912. VENTING OR FLARING PRODUCED NATURAL GAS – STATEWIDE, dated January 12, 2016; and to Rule 912. VENTING OR FLARING NATURAL GAS. a. thru e. in regards to venting and flaring.</p>	06/22/2016

S/AR: ACTION REQUIRED **Comment:** No sediment controls observed on access road.

CA: Comply with permit COAs.
Install or repair required BMPs per Rule 1002.f. Refer to the 1002.f guidance document for further details.

Date: 09/22/2016

Wildlife BMPs:

BMP Type	Comment
Wildlife	<p>1. If oil and gas operations must occur within 4.0 miles of greater sage-grouse leks, the operator agrees to conduct oil and gas operations outside the period between March 1 and June 30.</p> <p>2. The operator and its contractors agree to restrict well site visitations to portions of the day between 9:00 a.m. and 4:00 p.m. during the leking, nesting and early brood rearing seasons (March 1 to June 30) within 4.0 miles of a lek.</p> <p>3. The operator agrees to use hospital-grade mufflers for compressors, pump jacks, or other motors necessary to run operations at the site. Mufflers will be pointed upward to dissipate potential vibration.</p> <p>4. The operator has agreed to CPWs request to shift the pad location to be entirely on the south side of the existing access road. Maintaining a strip of sagebrush between the irrigated hay fields and the pad will benefit grouse during the brood-rearing season.</p>
Storm Water/Erosion Control	SandRidge Exploration & Production LLC will implement a storm water and erosion control plan to prevent sedimentation and erosion.

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: 446809 Type: WELL API Number: 057-06565 Status: XX Insp. Status: DG

Well Drilling

Rig: Rig Name: Rig 344 Pusher/Rig Manager: Chuck
Permit Posted: _____ Access Sign: _____

Well Control Equipment:

Pipe Ram: _____ Blind Ram: _____ Hydril Type: _____
Pressure Test BOP: _____ Test Pressure PSI: _____ Safety Plan: _____

Drill Fluids Management:

Inspector Name: Waldron, Emily

Lined Pit: YES

Unlined Pit: _____

Closed Loop: _____

Semi-Closed Loop: _____

Multi-Well: _____

Disposal Location: _____

Comment:

Inspector on location attempting to witness surface cement job for Evans 8-21H. Form 42 notice received 8/22/2016 document number 401096596. At 10:15 AM casing run had just finished and rig crew was waiting on cement crew. Inspector performed standard rig inspection with no cement witness.

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 _____

Inspector Name: Waldron, Emily

- 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 _____

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						
Slope Roughening						
Silt Fences						
		Compaction				
				Covering Materials		
Compaction						

Inspector Name: Waldron, Emily

S/A/V: ACTION REQUIRED

Corrective Date: 09/22/2016

Comment: Access road has no sediment control measures.

CA: Install or repair required BMPs per Rule 1002.f. Refer to the 1002.f guidance document for further details.

Pits: ☐ NO SURFACE INDICATION OF PIT