

**FORM
INSP**Rev
X/15**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:

11/01/2016

Submitted Date:

01/09/2017

Document Number:

677900219**FIELD INSPECTION FORM**

Loc ID 333074	Inspector Name: FISCHER, ALEX	On-Site Inspection <input type="checkbox"/>	Status Summary:
		2A Doc Num: _____	<input checked="" type="checkbox"/> THIS IS A FOLLOW UP INSPECTION <input checked="" type="checkbox"/> FOLLOW UP INSPECTION REQUIRED <input type="checkbox"/> NO FOLLOW UP INSPECTION REQUIRED
Operator Information: OGCC Operator Number: <u>10352</u> Name of Operator: <u>CM PRODUCTION LLC</u> Address: <u>390 UNION BLVD SUITE 620</u> City: <u>LAKEWOOD</u> State: <u>CO</u> Zip: <u>80228</u>			Findings: <u>41</u> Number of Comments <u>14</u> Number of Corrective Actions <input checked="" type="checkbox"/> Corrective Action Response Requested

Contact Information:

Contact Name	Phone	Email	Comment
Spencer, Stan		stan.spencer@state.co.us	
Kellerby, Shaun		shaun.kellerby@state.co.us	
Andrews, Dave		david.andrews@state.co.us	
Waldron, Emily		emily.waldron@state.co.us	
Neidel, Kris		kris.neidel@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
112265	PIT	AC			-	SPAULDING BATTERY (15 WELLS)	EI
112266	PIT	AC			-	SPAULDING BATTERY (15 WELLS)	EI
112267	PIT	AC			-	SPAULDING BATTERY (15 WELLS)	EI
112268	PIT	AC			-	SPAULDING BATTERY (15 WELLS)	EI
112269	PIT	AC			-	SPAULDING BATTERY (15 WELLS)	EI
115241	PIT	AC			-	SPAULDING "B" 1-15	EI
212116	WELL	SI	11/07/2013	OW	057-06009	SPAULDING, MARGARET 1	EI
212118	WELL	SI		OW	057-06011	MARGARET SPAULDING 2	EI
212128	WELL	SI		OW	057-06021	NOFFSINGER 1-C	EG
212154	WELL	SI		DSPW	057-06047	MARGARET SPAULDING 4 -B	EI
212169	WELL	SI		OW	057-06062	MARGARET SPAULDING 6 -A	EI
212176	WELL	SI		OW	057-06069	MARGARET SPAULDING 7	EI
212223	WELL	SI		DSPW	057-06116	ENTRADA 1-28	EI
212380	WELL	SI		OW	057-06273	SPAULDING-ENTRADA 2	EI
427281	TANK BATTERY	AC			-	M. SPAULDING CENTRALIZED TANK BATT 1	EI

441982	LAND APPLICATION SITE	AC		-	CM Lone Pine Land Farm	EI
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General Comment:

On November 1, 2016 COGCC Environmental Staff (Alex Fischer) and Field Operations Staff (Mike Leonard) conducted a inspection of CM Productions LLC, Lone Pine Field including: APIs 057-06009, 057-06011, 057-06062, 057-06069, 057-06021, 057-06273, 057-06047, 057-06116, and the Production Facility area. Alex Fischer conducted an Environmental inspection of the Pit Complex Facility (Location ID: 324634, Pit Facility IDs 112265, 112266, 112267, 112268, 112269, and 115241). Field Inspection Unit Supervisor (Shaun Kellerby) was on Location with Jim and Jaime Dschaak (Dschaak Trucking, LLC.) to assess conditions that need to be addressed prior to winter. The gates at both entrances were locked with locks provided by the COGCC. Weather was sunny, and temps approximately 25 degrees at time of Inspection. The Facility and Field are SI at this time. For the most recent Environmental Field Inspection Report of this facility, please refer to document # 677900206. The overall inspection status shall remain the same as previous documents until all corrective actions have been completed. See summary attached.

NOTE: CORRECTIVE ACTIONS REMAIN THE SAME AS THOSE NOTED IN DOCUMENT NUMBER 677900206.

Location Construction

Location ID: 212116 CDP: _____

Comment: _____

Corrective Action: _____ Date: _____

Form 2A COAs:

Comment: _____

Corrective Action: _____ Date: _____

Wildlife BMPs:

Comment: _____

Corrective Action: _____ Date: _____

Comment: _____

Corrective Action: _____ Date: _____

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:

Inspected Facilities

Facility ID: <u>112265</u>	Type: <u>PIT</u>	API Number: <u>-</u>	Status: <u>AC</u>	Insp. Status: <u>EI</u>
Facility ID: <u>112266</u>	Type: <u>PIT</u>	API Number: <u>-</u>	Status: <u>AC</u>	Insp. Status: <u>EI</u>
Facility ID: <u>112267</u>	Type: <u>PIT</u>	API Number: <u>-</u>	Status: <u>AC</u>	Insp. Status: <u>EI</u>
Facility ID: <u>112268</u>	Type: <u>PIT</u>	API Number: <u>-</u>	Status: <u>AC</u>	Insp. Status: <u>EI</u>
Facility ID: <u>112269</u>	Type: <u>PIT</u>	API Number: <u>-</u>	Status: <u>AC</u>	Insp. Status: <u>EI</u>
Facility ID: <u>115241</u>	Type: <u>PIT</u>	API Number: <u>-</u>	Status: <u>AC</u>	Insp. Status: <u>EI</u>
Facility ID: <u>212116</u>	Type: <u>WELL</u>	API Number: <u>057-06009</u>	Status: <u>SI</u>	Insp. Status: <u>EI</u>

Idle WellPurpose: ☒ Shut In ☐ Temporarily Abandoned Reminder: _____Comment: Well is SI, verified pressure on tubing, not leaking.

Corrective Action: _____ Date: _____

Facility ID: <u>212118</u>	Type: <u>WELL</u>	API Number: <u>057-06011</u>	Status: <u>SI</u>	Insp. Status: <u>EI</u>
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Idle WellPurpose: ☒ Shut In ☐ Temporarily Abandoned Reminder: _____Comment: Well is SI, absorbent boom wrapped around the well head, leaking around electrical armor and seal, an approximate 35-gallon metal sump with fluids.

Corrective Action: _____ Date: _____

Completion

Operation: _____

Date Flowback: _____

Contractor: _____

Comment: _____

Corrective Action: _____ Date: _____

Facility ID: <u>212128</u>	Type: <u>WELL</u>	API Number: <u>057-06021</u>	Status: <u>SI</u>	Insp. Status: <u>EG</u>
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Idle WellPurpose: ☒ Shut In ☐ Temporarily Abandoned Reminder: _____Comment: Noffsinger Lease, Well is SI, no pressure on treater, treater may have 60 bbls max fluids, two (2) 400 bbl tanks appear to be empty.

Corrective Action: _____ Date: _____

Facility ID: <u>212154</u>	Type: <u>WELL</u>	API Number: <u>057-06047</u>	Status: <u>SI</u>	Insp. Status: <u>EI</u>
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Idle WellPurpose: ☒ Shut In ☐ Temporarily Abandoned

Reminder: _____

Comment: Margaret Spaulding 4-B, UIC well. 550 psi on an approximate 150 psi valve.

Corrective Action: _____

Date: _____

Facility ID: 212169 Type: WELL API Number: 057-06062 Status: SI Insp. Status: EI

Idle WellPurpose: ☒ Shut In ☐ Temporarily Abandoned

Reminder: _____

Comment: Well is SI, bull plug removed, taped with Teflon, and replaced. Leak stopped.

Corrective Action: _____

Date: _____

Facility ID: 212176 Type: WELL API Number: 057-06069 Status: SI Insp. Status: EI

Idle WellPurpose: ☒ Shut In ☐ Temporarily Abandoned

Reminder: _____

Comment: Well is SI, absorbent boom wrapped around the well head, electrical armor around conduit damaged, an approximate 35-gallon metal sump with fluids.

Corrective Action: _____

Date: _____

Facility ID: 212223 Type: WELL API Number: 057-06116 Status: SI Insp. Status: EI

Idle WellPurpose: ☒ Shut In ☐ Temporarily Abandoned

Reminder: _____

Comment: Entrada 1-28, UIC well, no pressure when valves where opened.

Corrective Action: _____

Date: _____

Facility ID: 212380 Type: WELL API Number: 057-06273 Status: SI Insp. Status: EI

Idle WellPurpose: ☒ Shut In ☐ Temporarily Abandoned

Reminder: _____

Comment: Well near pulling unit, well is SI, 300 bbl tank is full of fluids.

Corrective Action: _____

Date: _____

Facility ID: 427281 Type: TANK API Number: - Status: AC Insp. Status: EI

Facility ID: 441982 Type: LAND API Number: - Status: AC Insp. Status: EI

Environmental**Spills/Releases:**

Type of Spill: _____ Estimated Spill Volume: _____

Comment: _____

Corrective Action: _____ Date: _____

Reportable: _____ GPS: Lat _____ Long _____

Proximity to Surface Water: _____ Depth to Ground Water: _____

Water Well Complaint:

Lat _____ Long _____

DWR Receipt Num: _____ Owner Name: _____ GPS : _____

Field Parameters:

Sample Location: _____ Comment: _____

Waste Management:

Type	Management	Condition	GPS (Lat)	(Long)
Drums. Buckets, Containers	Other	Inadequate		
Comment	Office Area • (5) 5-gallon pails contents unknown, propane cylinder, hoses and fittings. • (2) port o toilets.			
Corrective Action	Comply with Rule 603.f., using the Rule 603.f.guidance document for further details.			Date: _____
Oily Soil	Piles	Adequate		
Comment	• Berms to prevent surface flow across Location appear to be adequate.			
Corrective Action	Remediate Pit to Table 910-1 concentrations.			Date: _____
Oily Soil	Land Treatment	Adequate		
Comment	Landfarm- approximately 2.5' to 3' of material leveled. Appears that the material has been worked. Hay/straw has been worked into the material. No change from Inspection Document # 677900206. • Berms to prevent surface flow across Land treatment appear to be adequate.			
Corrective Action	Remediate Pit to Table 910-1 concentrations.			Date: _____
Drums. Buckets, Containers	Other	Inadequate		
Comment	Storage Area North of Pits and East of Office Building • Pallet with fire bricks. • Catwalk and ladder. • (2) 55-gal empty containers. One labeled "antifreeze" the other labeled "15W40 oil." • (1) 55-gal container (red) on side with fluids present. • (2) 5-gal empty plastic pails. • (1) 5-gal empty gas can • (1) 2.5 gal empty chemical sprayer. • (1) 55-gal container (blue) with fluids present. • (1) 55-gal container (black) with fluids present. • Hoses, boards, and fittings.			
Corrective Action	Comply with Rule 603.f., using the Rule 603.f.guidance document for further details.			Date: _____
Drums. Buckets, Containers	Other	Inadequate		

Comment	Shed/Garage Area near Entrance to the Field • Tubing and rods previously located at storage area north of the Injection Pump Area have been relocated to the shed/garage area. • Injection pump motor previously located at the Injection Pump Area has been relocated to the shed/garage area. • The contents inside of the shed/garage (wooden pallets, pipes, (2) propane cylinders, trash, chemical totes, fittings, insulation, chains, burn barrel with used oil filters) have been removed. There are pallets and approximately (8) tires are present outside of the shed/garage near the north east corner.					Date:	
Corrective Action	Comply with Rule 603.f., using the Rule 603.f.guidance document for further details.					Date:	
Oily Soil	Piles	Inadequate					
Comment	• An App 20' dia X 5' high liner material on Location from Pit Facility 115241 is present. No change from Inspection Document # 677900206.					Date:	
Corrective Action	Properly dispose.					Date:	
Drums. Buckets, Containers	Other	Inadequate					
Comment	Injection Pump Area • (1) 55-gal container (blue) with fluids present labeled "Low Ash E Oil" and "Chevron." • Electrical wire and panels. • Various pumps, spools with conduit, pipe trailer, flat bed trailer with generator, oil skimmer, pipe racks, (2) Honeywell generators, electrical motors and pump(s), metal pipe, spools of plastic tubing, and fencing.					Date:	
Corrective Action	Comply with Rule 603.f., using the Rule 603.f.guidance document for further details.					Date:	
Drums. Buckets, Containers	Other	Inadequate					
Comment	Shed near Production Facility • Approximately (12) 5-gal pails, contents unknown. • Roles of yellow plastic tubing.					Date:	
Corrective Action	Comply with Rule 603.f., using the Rule 603.f.guidance document for further details.					Date:	

Spill/Remediation:Comment: Corrective Action: Date: Emission Control Burner (ECB): Comment: Pilot: Wildlife Protection Devices (fired vessels):

Reclamation - Storm Water - Pit

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment

Comment: Corrective Action: Date: **Pits:** ☐ NO SURFACE INDICATION OF PIT

Type: Produced Water Lined: NO Pit ID: 112266 Lat: 40.717034 Long: -106.497960

Reference Point: Other: Length: Width:

Lining:

Liner Type: Liner Condition:

Comment: Alleged Bentonite Liner.Corrective Action Date: c**Fencing:**

Fencing Type: Livestock Fencing Condition: Adequate

Comment: All Pit Facilities are secured within fenced area.Corrective Action Date: **Netting:**

Netting Type: Netting Condition:

Comment: Not Netted.Corrective Action Date:

Anchor Trench Present: Oil Accumulation: YES 2+ feet Freeboard: YES

Comment: Fluid level app 15 feet below top of berm between Pit Facility 112265 and Pit Facility 112266. Approximately 80% of fluid surface is covered with hydrocarbons. Approximately 12-13' of oily material exposed on the pit banks. Oily boom on NW corner of pit bank. Pit not netted.

Corrective Action Date:

Refer to Supplemental form 27 Document Number 1642189 for Conditions of Approval and Corrective Action Dates (Remediate Pits July 1, 2015). Remove hydrocarbons per Rule 902 upon discovery.

Type: BS&W Lined: NO Pit ID: 115241 Lat: 40.717386 Long: -106.498280

Reference Point: Other: Length: Width:

Lining:

Liner Type: Liner Condition:

Comment: Corrective Action Date: c**Fencing:**

Fencing Type: Livestock Fencing Condition: Adequate

Comment: All Pit Facilities are secured within fenced area.Corrective Action Date: **Netting:**

Netting Type:		Netting Condition:		
Comment: <u>Not Netted.</u>				
Corrective Action				Date:
Anchor Trench Present:		Oil Accumulation: <u>NO</u>	2+ feet Freeboard: <u>YES</u>	
Comment: <u>• Pit Facility 115241- Dry with vegetation growing in pit bottom. Soil from on top of pit embankment falling into pit. Pit not netted.</u>				
Corrective Action	<u>Refer to Supplemental form 27 Document Number 1642189 for Conditions of Approval and Corrective Action Dates (Remediate Pits July 1, 2015). Remove hydrocarbons per Rule 902 upon discovery.</u>			Date:
Type: <u>Produced Water</u>	Lined: <u>NO</u>	Pit ID: <u>112269</u>	Lat: <u>40.718083</u>	Long: <u>-106.499402</u>
Reference Point: _____	Other: _____	Length: _____	Width: _____	
<u>Lining:</u>				
Liner Type:		Liner Condition:		
Comment: <u>Alleged Bentonite Liner.</u>				
Corrective Action				Date: <u>c</u>
<u>Fencing:</u>				
Fencing Type: <u>Livestock</u>		Fencing Condition: <u>Adequate</u>		
Comment: <u>All Pit Facilities are secured within fenced area.</u>				
Corrective Action				Date:
<u>Netting:</u>				
Netting Type:		Netting Condition:		
Comment: <u>Not Netted.</u>				
Corrective Action				Date:
Anchor Trench Present:		Oil Accumulation: <u>NO</u>	2+ feet Freeboard: <u>YES</u>	
Comment: <u>• Pit Facility 112269- No fluid present. Approximately 20-25' of oily material exposed on the pit banks. Pit not netted.</u>				
Corrective Action	<u>Refer to Supplemental form 27 Document Number 1642189 for Conditions of Approval and Corrective Action Dates (Remediate Pits November 1, 2014). Remove hydrocarbons per Rule 902 upon discovery.</u>			Date:
Type: <u>Produced Water</u>	Lined: <u>NO</u>	Pit ID: <u>112265</u>	Lat: <u>40.717314</u>	Long: <u>-106.497911</u>
Reference Point: _____	Other: _____	Length: _____	Width: _____	
<u>Lining:</u>				
Liner Type:		Liner Condition:		
Comment: <u>Alleged Bentonite Liner.</u>				
Corrective Action				Date: <u>c</u>
<u>Fencing:</u>				
Fencing Type: <u>Livestock</u>		Fencing Condition: <u>Adequate</u>		
Comment: <u>All Pit Facilities are secured within fenced area.</u>				
Corrective Action				Date:
<u>Netting:</u>				
Netting Type: <u>Fence/Net Combo</u>		Netting Condition: <u>Sagging into pit contents</u>		
Comment: <u>Pit netted and in disrepair.</u>				

Corrective Action		Date:
Anchor Trench Present:	Oil Accumulation: <u>YES</u>	2+ feet Freeboard: <u>YES</u>
Comment:	<ul style="list-style-type: none"> • Pit Facility 112265-Fluid level app 8 feet below top of berm between Pit Facility 112265 and Pit Facility 112266. Approximately 10% of fluid surface is covered with hydrocarbons and sheen. Approximately 5' of oily material exposed on the pit banks. Pit netted and in disrepair. 	
Corrective Action	Refer to Supplemental form 27 Document Number 1642189 for Conditions of Approval and Corrective Action Dates (Remediate Pits July 1, 2015). Remove hydrocarbons per Rule 902 upon discovery.	Date:
Type: <u>Produced Water</u>	Lined: <u>NO</u>	Pit ID: <u>112268</u> Lat: <u>40.717751</u> Long: <u>-106.499514</u>
Reference Point: _____	Other: _____	Length: _____ Width: _____
<u>Lining:</u>		
Liner Type:	Liner Condition:	
Comment:	<u>Alleged Bentonite Liner.</u>	
Corrective Action		Date: <u>c</u>
<u>Fencing:</u>		
Fencing Type: <u>Livestock</u>	Fencing Condition: <u>Adequate</u>	
Comment:	<u>All Pit Facilities are secured within fenced area.</u>	
Corrective Action		Date:
<u>Netting:</u>		
Netting Type:	Netting Condition:	
Comment:	<u>Not Netted.</u>	
Corrective Action		Date:
Anchor Trench Present:	Oil Accumulation: <u>YES</u>	2+ feet Freeboard: <u>YES</u>
Comment:	<ul style="list-style-type: none"> • Pit Facility 112268- Fluid level app 20 feet below top of berm between Pit Facility 112268 and Pit Facility 112269 covering an area app 40' in diameter. 80% of fluid surface is covered with hydrocarbons. Approximately 15-20' of oily material exposed on the pit banks. Pit not netted. 	
Corrective Action	Refer to Supplemental form 27 Document Number 1642189 for Conditions of Approval and Corrective Action Dates (Remediate Pits November 1, 2014). Remove hydrocarbons per Rule 902 upon discovery.	Date:
Type: <u>Produced Water</u>	Lined: <u>NO</u>	Pit ID: <u>112267</u> Lat: <u>40.717130</u> Long: <u>-106.498386</u>
Reference Point: _____	Other: _____	Length: _____ Width: _____
<u>Lining:</u>		
Liner Type:	Liner Condition:	
Comment:	<u>Alleged Bentonite Liner.</u>	
Corrective Action		Date: <u>c</u>
<u>Fencing:</u>		
Fencing Type: <u>Livestock</u>	Fencing Condition: <u>Adequate</u>	
Comment:	<u>All Pit Facilities are secured within fenced area.</u>	
Corrective Action		Date:
<u>Netting:</u>		
Netting Type:	Netting Condition:	
Comment:	<u>Not Netted.</u>	

Corrective Action		Date:
Anchor Trench Present:	Oil Accumulation: <u>YES</u>	2+ feet Freeboard: <u>YES</u>
Comment:	<ul style="list-style-type: none"> • Pit Facility 112267- Fluid level app 15 feet below top of south berm, covering an app 50' x 30' area. 50% of fluid surface is covered with hydrocarbons. Approximately 12-13' of oily material exposed on the pit banks. Oily boom in pit on west side, tumble weeds in pit. Pit not netted. 	
Corrective Action	Refer to Supplemental form 27 Document Number 1642189 for Conditions of Approval and Corrective Action Dates (Remediate Pits July 1, 2015). Remove hydrocarbons per Rule 902 upon discovery.	Date:

COGCC Comments

Comment	User	Date
<p>On November 1, 2016 COGCC Environmental Staff (Alex Fischer) and Field Operations Staff (Mike Leonard) conducted a inspection of CM Productions LLC, Lone Pine Field including: APIs 057-06009, 057-06011, 057-06062, 057-06069, 057-06021, 057-06273, 057-06047, 057-06116, and the Production Facility area. Alex Fischer conducted an Environmental inspection of the Pit Complex Facility (Location ID: 324634, Pit Facility IDs 112265, 112266, 112267, 112268, 112269, and 115241). Field Inspection Unit Supervisor (Shaun Kellerby) was on Location with Jim and Jaime Dschaak (Dschaak Trucking, LLC.) to assess conditions that need to be addressed prior to winter. The gates at both entrances were locked with locks provided by the COGCC. Weather was sunny, and temps approximately 25 degrees at time of Inspection. The Facility and Field are SI at this time. For the most recent Environmental Field Inspection Report of this facility, please refer to document # 677900206. The overall inspection status shall remain the same as previous documents until all corrective actions have been completed. See summary attached.</p> <p>NOTE: CORRECTIVE ACTIONS REMAIN THE SAME AS THOSE NOTED IN DOCUMENT NUMBER 677900206.</p>	fischera	01/09/2017

Attached Documents

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

Document Num	Description	URL
677900220	INSP Summary 20161101 CM Location 324634.pdf	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4046874
677900221	INSP Photo Log 20161101 Location 324634.pdf	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4046875