

**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:

08/16/2017

Submitted Date:

08/22/2017

Document Number:

681700809**FIELD INSPECTION FORM**
 Loc ID 319937 Inspector Name: Arauza, Steven On-Site Inspection ☐ 2A Doc Num:
Operator Information:OGCC Operator Number: 12400Name of Operator: BYRON OIL INDUSTRIES INCAddress: 154 CLARKSON EXECUTIVE PARKCity: BALLWIN State: MO Zip: 63011**Status Summary:**

- ☒ THIS IS A FOLLOW UP INSPECTION
- ☒ FOLLOW UP INSPECTION REQUIRED
- ☐ NO FOLLOW UP INSPECTION REQUIRED

Findings:30 Number of Comments20 Number of Corrective Actions

- ☒ Corrective Action Response Requested

Contact Information:

| Contact Name | Phone | Email | Comment |
|----------------|--------------|----------------------------------|-----------------|
| Legler, Paul | 970-768-0950 | paulleglerpumping@yahoo.com | pumper |
| Montoya, John | | john.montoya@state.co.us | |
| Axelson, John | | john.axelson@state.co.us | |
| | | dnr_cogccenforcement@state.co.us | |
| BYRON, RICHARD | 636-391-8770 | byronoil@aol.com | ALL INSPECTIONS |
| Leonard, Mike | | mike.leonard@state.co.us | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|----------------------------------|-------------|
| 104647 | PIT | AC | | | - | Price-Degenhart 1 Skim Pit | EI |
| 114378 | PIT | AC | | | - | Price-Degenhart 1 Production Pit | EI |
| 201942 | WELL | PR | 12/01/2014 | OW | 001-07346 | PRICE-DEGENHART 1 | EI |

General Comment:

COGCC Environmental inspection, follow-up to Field Inspection Report (FIR #681700645).

Seventeen (17) out of the twenty (20) corrective actions (CAs) included in this report are unresolved CAs from previous FIRs. CA dates have passed for seventeen (17) unresolved CAs. Where CAs required by previous FIRs remain unresolved, respective CA dates remain unchanged.

Location

Overall Good: ☒

| | | | |
|----------------------|---|--|------------------|
| Signs/Marker: | | | |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | Steel panel ASTs lack NFPA placards and volume labels, as indicated in three previous FIRs. See photos. | | |
| Corrective Action: | Immediately install NFPA placards and volume labels to comply with Rule 210.d | | Date: 02/03/2017 |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | Label and placard are adequate on bermed, crude oil AST only. | | |
| Corrective Action: | | | Date: |
| Type | BATTERY | | |
| Comment: | Adequate | | |
| Corrective Action: | | | Date: |
| Type | WELLHEAD | | |
| Comment: | Adequate | | |
| Corrective Action: | | | Date: |

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Good Housekeeping:

| | | | |
|--------------------|---|--|------------------|
| Type | UNUSED EQUIPMENT | | |
| Comment: | Unused equipment around wellhead (pipe, rods, tubing, etc), as indicated in three previous FIRs. See photos. | | |
| Corrective Action: | Immediately remove unused equipment to comply with Rule 603.f using the Rule 603.f guidance document for further details. | | Date: 02/03/2017 |

Overall Good: ☐

| | | | |
|--------------------|--|----------|------------------|
| Spills: | | | |
| Type | Area | Volume | |
| Crude Oil | Tank | <= 1 bbl | |
| Comment: | Historical accumulations of oil-stained soil beneath tank valves inside and outside of earthen berms, as indicated in previous FIRs. See photos. | | |
| Corrective Action: | Remove and properly dispose of oily waste, per Rule 907.e. Securely fasten all valves, pipes, and fittings to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 605.d. | | Date: 07/26/2017 |
| Other | Pump Jack | <= 1 bbl | |
| Comment: | Localized, oil-stained waste on north side of pump jack and beneath pump jack exhaust. See photos. | | |
| Corrective Action: | Remove and properly dispose of oily waste, per Rule 907.e. | | Date: 09/22/2017 |
| Crude Oil | Truck Loadout | <= 1 bbl | |
| Comment: | Localized, oil-stained soil outside of containment on SW side of produced water pit. See photos. | | |
| Corrective Action: | Remove and properly dispose of oily waste, per Rule 907.e. | | Date: 09/22/2017 |
| Other | Tank | <= 1 bbl | |
| Comment: | Asphaltic soil from historical accumulation of oily waste on south side of unidentified steel panel ASTs, as indicated in previous FIR. See photos. | | |

| | | | | | |
|--------------------|--|----------|--|-------|------------|
| Corrective Action: | Remove and properly dispose of oily waste, per Rule 907.e. | | | Date: | 08/14/2017 |
| Lube Oil | Pump Jack | <= 1 bbl | | | |
| Comment: | Localized, oil-stained soil beneath prime mover inside of pump jack shed, as indicated in previous FIRs. See photos. | | | | |
| Corrective Action: | Remove and properly dispose of oily waste, per Rule 907.e. Securely fasten all valves, pipes, and fittings to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 605.d. | | | Date: | 07/26/2017 |
| Produced Water | Tank | <= 1 bbl | | | |
| Comment: | Puddle of produced water with oily sheen remaining on north side of panel tanks, where drip was observed during FIR #681700645. Drip was not observed on 8/16/2017. | | | | |
| Corrective Action: | Remove and properly dispose of oily waste, per Rule 907.e. Securely fasten all valves, pipes, and fittings to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 605.d. | | | Date: | 08/14/2017 |
| Produced Water | WELLHEAD | <= 1 bbl | | | |
| Comment: | Small pool of water at wellhead. Possible integrity issue, as indicated in previous FIRs. See photos. Consistant bubbling was observed inside of puddle on date of inspection. | | | | |
| Corrective Action: | Contact dnr_cogccengineering@state.co.us with resolution plan. Securely fasten all valves, pipes, and fittings to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 605.d. Operator needs to prevent any recurring releases at the wellhead. | | | Date: | 07/07/2017 |

In Containment: No

Comment:

☒ Multiple Spills and Releases?

| | | | |
|--------------------|---------------------------------------|-------|--|
| Fencing/: | | | |
| Type | PIT | | |
| Comment: | Wire fence around produced water pit. | | |
| Corrective Action: | | Date: | |

| | | | |
|---------------------------|--|-------|-----------------|
| Equipment: | | | corrective date |
| Type: Ancillary equipment | # 1 | | |
| Comment: | Chemical storage drum at pump jack has adequate secondary containment. | | |
| Corrective Action: | | Date: | |
| Type: Bird Protectors | # 1 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Ancillary equipment | # 1 | | |
| Comment: | Propane tank at pump jack. | | |
| Corrective Action: | | Date: | |
| Type: Deadman # & Marked | # 4 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Pump Jack | # 1 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Flow Line | # 2 | | |

| | | | |
|-------------------------------|--|-------|------------|
| Comment: | NOT IN USE: Two capped, steel 4" flowline risers located east and south of vertical heater treater, as indicated in previous FIRs. Risers have not been painted or tagged to comply with 2017 Flowline NTO. See photos. Operator was instructed to contact COGCC engineering unit in previous FIR. | | |
| Corrective Action: | Contact the Engineering Integrity section to discuss flowline abandonment requirements per Rule 1103. Along with the rule, the COGCC Operator Guidance, Rules 1101, 1102, and 1103: Flowline Guidance 1101 and 1102 guidance document can provide further details. Contact dnr_cogccengineering@state.co.us with resolution plan. | Date: | 07/07/2017 |
| Type: Vertical Heater Treater | # 1 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |

Tanks and Berms:

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|--|----------|-----------|---------|------------------|
| CRUDE OIL | 1 | 300 BBLs | STEEL AST | | , |
| Comment: | Single crude oil AST inside of berm. Localized, oil-stained soil remains beneath south tank valve and puddle of water observed beneath access panel, as indicated in previous FIRs. See photos. | | | | |
| Corrective Action: | Remove and properly dispose of oily waste, per Rule 907.e. Securely fasten all valves, pipes, and fittings to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 605.d. | | | | Date: 07/26/2017 |

Paint

| | |
|------------------|--|
| Condition | |
| Other (Content) | |
| Other (Capacity) | |
| Other (Type) | |

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance | |
|--------------------|---|---------------------|---------------------|-------------|------------------|
| Earth | Adequate | Walls Sufficient | | Adequate | |
| Comment: | | | | | |
| Corrective Action: | | | | | |
| Date: | | | | | |
| Contents | # | Capacity | Type | Tank ID | SE GPS |
| OTHER | 2 | OTHER | STEEL AST | | , |
| Comment: | Unidentified steel panel ASTs west of bermed crude oil tank with historical accumulations of oily beneath valves and seeping from bolts, as indicated in two previous FIRs. See photos. Operator confirmed during 7/13/2017 phone conversation that the tanks are inoperable. | | | | |
| Corrective Action: | Remove and properly dispose of oily waste, per Rule 907.e. Immediately remove unused equipment (tanks) from this location, pursuant to Rule 603.f. See Rule 603.f guidance document for further details. | | | | Date: 07/07/2017 |

Paint

| | |
|------------------|--|
| Condition | |
| Other (Content) | |
| Other (Capacity) | |
| Other (Type) | |

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|------|------------|---------------------|---------------------|-------------|
| | Inadequate | Walls Insufficient | Base Insufficient | Inadequate |

| | | | |
|--------------------|---|-------|------------|
| Comment: | Steel panel ASTs lack any type of secondary containment, as indicated in previous FIRs. See photos. | | |
| Corrective Action: | Immediately install berms or other secondary containment devices per Rule 605.a.(4). | Date: | 02/03/2017 |
| Venting: | | | |
| Yes/No | | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Flaring: | | | |
| Type | | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

| Inspected Facilities | | | | | | | | | |
|----------------------|---------------|-------|-------------|-------------|------------------|---------|-----------|---------------|-----------|
| Facility ID: | <u>104647</u> | Type: | <u>PIT</u> | API Number: | <u>-</u> | Status: | <u>AC</u> | Insp. Status: | <u>EI</u> |
| | | | | | | | | | |
| Facility ID: | <u>114378</u> | Type: | <u>PIT</u> | API Number: | <u>-</u> | Status: | <u>AC</u> | Insp. Status: | <u>EI</u> |
| | | | | | | | | | |
| Facility ID: | <u>201942</u> | Type: | <u>WELL</u> | API Number: | <u>001-07346</u> | Status: | <u>PR</u> | Insp. Status: | <u>EI</u> |
| | | | | | | | | | |

Environmental**Waste Management:**

| Type | Management | Condition | GPS (Lat) (Long) | |
|-------------------|--|------------|------------------|------------------|
| Used Oil | Other | Inadequate | | |
| Comment | Bucket of oily waste observed on west side of prime mover (inside of shed). See photos. | | | |
| Corrective Action | Remove and properly dispose of oily waste, per Rule 907.e | | | Date: 09/22/2017 |
| Tank Bottoms | Tanks | Inadequate | 39.831151 | -103.857740 |
| Comment | Unused, steel panel tanks NW of crude oil ASTs contain tank bottoms. | | | |
| Corrective Action | Properly dispose of any tank bottoms in accordance with 907.f prior to tank disassembly and removal. Provide disposal documentation in accordance with 907.b. (2). | | | Date: 07/31/2017 |

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: Evidence of sediment transport from produced water pit onto pasture land to west and south of pit, as indicated in previous FIRs. See photos.

Corrective Action: Immediately implement stormwater BMPs to prevent erosion, transport of sediment offsite, and site degradation, per Rule 1002.f. Refer to the 1002.f guidance document for further details.

Date: 08/14/2017

Pits: ☐ NO SURFACE INDICATION OF PIT

Type: Produced Water Lined: NO Pit ID: 114378 Lat: 39.830469 Long: -103.857055

Reference Point: _____ Other: _____ Length: _____ Width: _____

Lining:

Liner Type: _____ Liner Condition: _____

Comment: Oil remains covering approximately 5-10% of pit surface.

Corrective Action: Immediately remove oil from pit to comply with Rules 902.c and Rule 323. Comply with Rule 603.f using the Rule 603.f guidance document for further details.

Date: 07/07/2017c

Fencing:

Fencing Type: Wildlife Fencing Condition: Adequate

Comment: _____

Corrective Action: _____

Date: _____

Netting:

Netting Type: _____ Netting Condition: _____

Comment: _____

Corrective Action: _____

Date: _____

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

Comment: Pit did not demonstrably contain 2' of freeboard. No method of monitoring and maintaining freeboard was observed during inspection. Operator was instructed to install freeboard monitoring method in previous FIR.

Corrective Action: Immediately install method of monitoring and maintaining at least 2' of freeboard, per Rule 902.b.

Date: 08/14/2017

Type: Skimming/Settling Lined: NO Pit ID: 104647 Lat: 39.830810 Long: -103.857291

Reference Point: _____ Other: _____ Length: 25 Width: 25

Lining:

Liner Type: _____ Liner Condition: Inadequate

Comment: Operation of an unlined skim pit is a violation of Rule 904.a.(4). and Rule 323.

Corrective Action: _____

Operator was instructed to immediately cease operation of skim pit and submit eForm 27 for site closure in previous FIR and by phone. Skim pit remained in operation on inspection date. Immediately cease use of skim pit. Submit an eForm 27 Site Investigation and Remediation Workplan to remediate skim pit and either 1) properly permit and line the pit or 2) close skim pit and replace with skim tank.

Date: 07/26/2017c

Fencing:

Fencing Type: _____ Fencing Condition: _____

Comment: _____

| | | |
|---------------------------------|---|-------------------------------|
| Corrective Action | | Date: |
| Netting: | | |
| Netting Type: <u>Metal Grid</u> | Netting Condition: <u>Sagging into pit contents</u> | |
| Comment: <u>Adequate</u> | | |
| Corrective Action | | Date: |
| Anchor Trench Present: | Oil Accumulation: <u>YES</u> | 2+ feet Freeboard: <u>YES</u> |
| Comment: | <u>Oil remains on pit and around perimeter, as indicated in previous FIRs, although operator had managed to remove some. Operator had been contacted on 6/22/2017 and instructed to remove oil within 24 hours, per Rule 902.c. Pit berms were showing signs of erosions and weeds were growing inside of berm.</u> | |
| Corrective Action | <u>Immediately remove oil from pit to comply with Rule 902.c and Rule 323. Comply with Rule 603.f using the Rule 603.f guidance document for further details.</u> | Date: <u>07/07/2017</u> |

Attached Documents

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

| Document Num | Description | URL |
|--------------|----------------------|---|
| 401383439 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4234405 |
| 681700816 | Field Photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4234401 |