

**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:

08/30/2017

Submitted Date:

08/31/2017

Document Number:

679700605

FIELD INSPECTION FORM

Loc ID 444819 Inspector Name: ALLISON, RICK On-Site Inspection 2A Doc Num: _____

Status Summary:

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

Operator Information:

OGCC Operator Number: 10542
Name of Operator: CUB CREEK ENERGY
Address: 200 PLAZA DRIVE SUITE 100
City: HIGHLANDS State: CO Zip: 80129

Findings:

- 2 Number of Comments
- 1 Number of Corrective Actions
- Corrective Action Response Requested

Contact Information:

Contact Name	Phone	Email	Comment
Precup, Jim		james.precup@state.co.us	
Bob Gardner		bob.gardner@cub-creek.com	
Axelson, John		john.axelson@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
451969	LAND APPLICATION SITE	AC			-	Cub Creek	EI

General Comment:

COGCC Environmental Inspection related to drill cuttings handling. COGCC inspected a cuttings storage area owned and operated by Kinetic Energy Services LLC in the SW 1/4 SE 1/4 Section 2 Township 5 North Range 67 West, Weld County. See Waste Management Section of this inspection for details.

Inspected Facilities

Facility ID: 451969 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:

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

Field Parameters:

Sample Location: _____ Comment: _____

Waste Management:

Type	Management	Condition	GPS (Lat) (Long)		
Drill Cuttings	Piles	Inadequate	40.423840	-104.857250	
Comment	<p>Cuttings have been stockpiled on a parcel owned by Kinetic Energy Services LLC in the SW 1/4 SE 1/4 Section 2 Township 5 North Range 67 West, Weld County. Kinetic personnel informed COGCC that cuttings were generated by Cub Creek Energy (Xtreme 18 rig). Xtreme 18 is currently drilling the Litzenberger Pad (Location 444819). Form 2A for the Litzenberger Pad states that all drilling fluid and cuttings will be transported offsite for commercial disposal. No Form 4 Sundry Notice for the application of drill cuttings has been submitted for Director approval per the COGCC Drill Cuttings Management Policy dated September 15, 2014 (http://cogcc.state.co.us/documents/reg/Policies/Final_Cuttings_Management_Policy_9_15_14_Rev_0.pdf).</p>				
Corrective Action	<p>Operator is directed to: 1. Submit a Form 4 Sundry Notice of the beneficial reuse of E&P Waste for the Land Application Site. The Waste Management Plan will need to be revised with appropriate timing for the incorporation of drill cuttings per the COGCC Drill cuttings Policy. Use Facility ID #451969 when submitting the Waste Management Plan. 2. Submit a Form 4 for each Form 2A to change the drill cuttings handling from commercial disposal to offsite land application. 3. Incorporate all stockpiled cuttings by September 30, 2017 as you have stated below. Any cuttings not incorporated by that time must be hauled to a commercial solid waste disposal facility. 4. Post-incorporation sampling is required to document compliance of the soil with Table 910-1. 5. Submit waste manifests or haul tickets/bill of lading for all E&P Waste transported from the Litzenberger Pad and for all E&P Waste subsequently removed from the Kinetic Energy property.</p>			Date:	09/30/2017

Spill/Remediation:

Comment: _____
 Corrective Action: _____ Date: _____

Emission Control Burner (ECB): _____
 Comment: _____
 Pilot: _____ Wildlife Protection Devices (fired vessels): _____

Attached Documents

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

Document Num	Description	URL
401392745	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4241905
679700606	Cuttings pile looking southwest	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4241895
679700607	Cuttings pile looking south	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4241896
679700608	Cuttings pile looking west	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4241897