

**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: _____

Operator Information:OGCC Operator Number: 10542Name of Operator: CUB CREEK ENERGYAddress: 200 PLAZA DRIVE SUITE 100City: HIGHLANDS State: CO Zip: 80129**Status Summary:**

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

Findings:2 Number of Comments1 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.

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) | |
|-------------------|--|------------|------------------|------------------|
| Drill Cuttings | Piles | Inadequate | 40.423840 | -104.857250 |
| Comment | 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). | | | |
| Corrective Action | 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. | | | 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/](https://cogcc.state.co.us/webblink/)) 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 |