

**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:

10/20/2017

Submitted Date:

10/23/2017

Document Number:

682402917**FIELD INSPECTION FORM**

Loc ID 322206 Inspector Name: Binschus, Chris On-Site Inspection ☐ 2A Doc Num: \_\_\_\_\_

**Operator Information:**OGCC Operator Number: 10495Name of Operator: LILIS ENERGY INCAddress: 300 E SONTERRA BLVD SUITE 1220City: SAN ANTONIO State: TX Zip: 78258**Status Summary:**

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

**Findings:**6 Number of Comments1 Number of Corrective Actions☒ Corrective Action Response Requested**Contact Information:**

Contact Name	Phone	Email	Comment
		michael@argentumenergy.com	
		sblackwell@lilisenergy.com	<a href="#">EVP-Land &amp; BD</a>

**Inspected Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
209703	WELL	TA	01/01/2017	GW	039-06608	COGGINS 10-34	RI

**General Comment:**

[This is a follow-up inspection to Field Inspection Report Document #682402759.](#)

Inspected Facilities									
Facility ID:	209703	Type:	WELL	API Number:	039-06608	Status:	TA	Insp. Status:	RI

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**Reclamation - Storm Water - Pit****Interim Reclamation:**

Date Interim Reclamation Started: \_\_\_\_\_ Date Interim Reclamation Completed: \_\_\_\_\_

Land Use: \_\_\_\_\_

Comment: \_\_\_\_\_

**1002 SITE PREPARATION AND STABILIZATION**

1002a. FENCING \_\_\_\_\_

Comment \_\_\_\_\_

Corrective Action \_\_\_\_\_

Date \_\_\_\_\_

1002b. SOIL REMOVAL AND  
SEGREGATION \_\_\_\_\_

Comment \_\_\_\_\_

Corrective Action \_\_\_\_\_

Date \_\_\_\_\_

1002c. PROTECTION OF SOILS \_\_\_\_\_

Comment \_\_\_\_\_

Corrective Action \_\_\_\_\_

Date \_\_\_\_\_

1002E. SURFACE DISTURBANCE MINIMIZATION \_\_\_\_\_

Comment \_\_\_\_\_

Corrective Action \_\_\_\_\_

Date \_\_\_\_\_

1003a. Waste and Debris removed? \_\_\_\_\_

Comment \_\_\_\_\_

Corrective Action \_\_\_\_\_

Date \_\_\_\_\_

Unused or unneeded equipment onsite? \_\_\_\_\_

Comment \_\_\_\_\_

Corrective Action \_\_\_\_\_

Date \_\_\_\_\_

Pit, cellars, rat holes and other bores closed? \_\_\_\_\_

Comment \_\_\_\_\_

Corrective Action \_\_\_\_\_

Date \_\_\_\_\_

Guy line anchors marked? \_\_\_\_\_

Comment \_\_\_\_\_

Corrective Action \_\_\_\_\_

Date \_\_\_\_\_

- 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 \_\_\_\_\_

## 1003e. INTERIM VEGETATION TRANSECT

TRANSECT RESULTS OF DISTURBED AREA% \_\_\_\_\_

TRANSECT RESULTS OF REFERENCE AREA% \_\_\_\_\_

TOTAL % OF DESIRABLE VEGETATION COVER \_\_\_\_\_

VEGETATIVE COVER \_\_\_\_\_

1003 f. Weeds Noxious weeds? \_\_\_\_\_

Comment \_\_\_\_\_

Corrective Action \_\_\_\_\_ Date \_\_\_\_\_

Overall Interim Reclamation

**Final Reclamation/ Abandoned Location:**

Date Final Reclamation Started: \_\_\_\_\_ Date Final Reclamation Completed: \_\_\_\_\_

Final Land Use: \_\_\_\_\_

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 **Fail** \_\_\_\_\_ Locations, facilities, roads, recontoured \_\_\_\_\_

Compaction alleviation \_\_\_\_\_ Dust and erosion control \_\_\_\_\_

Non cropland: Revegetated 80% **Fail** \_\_\_\_\_ Cropland: perennial forage \_\_\_\_\_

Weeds present \_\_\_\_\_ Subsidence \_\_\_\_\_

## 1004.d. FINAL VEGETATION TRANSECT

TRANSECT RESULTS OF DISTURBED AREA% \_\_\_\_\_

TRANSECT RESULTS OF REFERENCE AREA% \_\_\_\_\_

TOTAL % OF DESIRABLE VEGETATION COVER \_\_\_\_\_

VEGETATIVE COVER \_\_\_\_\_

Comment: At the time of this inspection on October 20, 2017, no further reclamation work has been conducted since the previous Field Inspection Report on September 7, 2017 (Document # 682402759). Operator has failed to complete reclamation work by the scheduled date the Operator provided within a reclamation schedule (FIRR Document # 401418614). Refer to the attached inspection photos for more detail.

Corrective Action:	Pursuant to Order 1V-632, the Operator must comply with all sections of the AOC and specifically regarding the revegetation issue documented on this inspection within Section 2, Paragraph 2(c) of the AOC.	Date	11/01/2017
Overall Final Reclamation	Fail	Well Release on Active Location	<input type="checkbox"/>
		Multi-Well Location	<input type="checkbox"/>

**Storm Water:**

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Silt Fences	Fail					Maintenance needed

Comment: At the time of this inspection, no stormwater erosion issues were observed at location. BMP maintenance is required along a portion of the silt fence.

Corrective Action:  Date: \_\_\_\_\_

**Pits:** ☐ NO SURFACE INDICATION OF PIT

<b><u>COGCC Comments</u></b>		
Comment	User	Date
Operator did not submit a sufficient Reclamation Plan detailing those actions it will take to achieve successful reclamation Pursuant to Order 1V-632 and did not submit the required documents by the required time Pursuant to Order 1V-632. Operator only provided a reclamation schedule.	binschusc	10/23/2017

**Attached Documents**

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

Document Num	Description	URL
401438561	INSPECTION SUBMITTED	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4281957">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4281957</a>
682402918	Inspection Photos	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4281951">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4281951</a>