

**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:

11/03/2017

Submitted Date:

11/07/2017

Document Number:

688300577

FIELD INSPECTION FORM

Loc ID 449920 Inspector Name: Sherman, Susan 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: 10625
Name of Operator: HIGHLANDS NATURAL RESOURCES CORPORATION
Address: 2401 EAST 2ND AVENUE SUITE 150
City: DENVER State: CO Zip: 80206

Findings:

12 Number of Comments
1 Number of Corrective Actions

Corrective Action Response Requested

Contact Information:

Contact Name	Phone	Email	Comment
Price, Robert	(918) 361-7000	robert.price@highlandsnr.com	Designated Agent/President
Mendell, Paul	(303) 495-4138	paul.mendell@highlandsnr.com	Designated Agent/Geologist
Chesson, Bob	(303) 894-2100 X5112	robert.chesson@state.co.us	COGCC EPS
Anderson, Eric	(303) 798-0356	eric.anderson@highlandsnr.com	Principal Agent/Land Manager
Miller, Stephen	(361) 230-9375	stephen.miller@highlandsnr.com	Designated Agent/Engineer

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
449921	WELL	DG	08/09/2017		005-07267	WILDHORSE 5-64 15-16-1BHZ	WO
449923	WELL	DG	08/09/2017		005-07269	POWELL 5-64 15-16-1CHZ	WO

General Comment:

Location

Overall Good:

Signs/Marker:

Type OTHER

Comment: location signs at gate

Corrective Action:

Date:

Emergency Contact Number:

Comment: 361-230-9375

Corrective Action:

Date: _____

Overall Good:

Spills:

Type Area Volume

Crude Oil Tank <= 1 bbl

Comment: Four BBLs of crude oil leaked from tank latch the morning of 11/3/2017. Contained and stained soil stockpiled immediately as witnessed by Inspector that afternoon except for oil under tanks. Samples will be collected for TPH and BTEX on 11/7/2017 by subcontractor to verify cleanup. Stained soils will be sampled for disposal. COGCC Environmental (RY) contacted to verify that TPH and BTEX samples were required. Inspector returned on 11/6/2017 to find the tanks removed and the area visually clean. See attached photos. A Form 19 was submitted on 11/3/2017 and landowner and Arapahoe County contacted per operator.

Corrective Action: E&P Waste not properly stored, handled, transported, treated, recycled, or disposed per Rule 907. Contact COGCC EPS staff. Provide waste transportation and final disposition information in accordance with 907.b.(2) for all E&P waste transported off site.

Date: 11/21/2017

In Containment: No

Comment: Flowback tanks did not have containment nor labels. Per Operator, tanks will have containment and labels in the future.

Multiple Spills and Releases?

Equipment:

corrective date

Type: Other #

Comment: flowback frac tanks

Corrective Action:

Date:

Type: Emission Control Device # 1

Comment: QTI combustor, venting

Corrective Action:

Date:

Venting:

Yes/No

Comment:

Corrective Action:

Date:

Flaring:

Type

Comment:

Corrective Action:

Date:

Inspected Facilities

Facility ID: 449921 Type: WELL API Number: 005-07267 Status: DG Insp. Status: WO

Facility ID: 449923 Type: WELL API Number: 005-07269 Status: DG Insp. Status: WO

Completion

Operation: Flowback

Date Flowback: 11/03/2017

Contractor: Covenant

Comment: Flowback started on Oct 25, 2017.

Corrective Action:

Date:

Reclamation - Storm Water - Pit

Interim Reclamation:

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: RANGELAND

Comment: Pasture, State Land Board property, gas plant under construction as there is no sales line to the location, MLVT has been removed from location

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: RANGELAND _____

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 _____ Locations, facilities, roads, recontoured _____

Compaction alleviation _____ Dust and erosion control _____

Non cropland: Revegetated 80% _____ 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: _____

Corrective Action: _____

Date _____

Overall Final Reclamation _____ Well Release on Active Location Multi-Well Location

Attached Documents

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

Document Num	Description	URL
401452895	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4296886
688300590	Highlands Wildhorse and Powell spill @ flowback	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4296884