

**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:

12/18/2017

Submitted Date:

12/22/2017

Document Number:

688300839**FIELD INSPECTION FORM**Loc ID 449920 Inspector Name: Sherman, Susan On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**OGCC Operator Number: 10625Name of Operator: HIGHLANDS NATURAL RESOURCES CORPORATIONAddress: 2401 EAST 2ND AVENUE SUITE 150City: DENVER State: CO Zip: 80206**Status Summary:**☐ THIS IS A FOLLOW UP INSPECTION☒ FOLLOW UP INSPECTION REQUIRED☐ NO FOLLOW UP INSPECTION REQUIRED**Findings:**32 Number of Comments3 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
Anderson, Eric	(303) 798-0356	eric.anderson@highlandsnr.com	Principal Agent/Land Manager
Leonard, Mike		mike.leonard@state.co.us	COGCC QA
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	PR	10/01/2017		005-07267	WILDHORSE 5-64 15-16-1BHZ	PR
449923	WELL	PR	10/01/2017		005-07269	POWELL 5-64 15-16-1CHZ	PR

General Comment:Routine Inspection/Beginning Production

LocationOverall Good: ☒

Signs/Marker:			
Type	WELLHEAD		
Comment:			
Corrective Action:		Date:	
Type	TANK LABELS/PLACARDS		
Comment:	Production tanks and bermed tank at gas plant are not labled.		
Corrective Action:	Install sign to comply with Rule 210.d.	Date:	02/22/2018
Type	CONTAINERS		
Comment:	Two above ground tan containers at gas plant not labeled (see attached photo). Two large cylinders for gas are not labeled, on has a flammable liquids sign on it.		
Corrective Action:	Install sign to comply with Rule 210.d.	Date:	02/22/2018

Emergency Contact Number:

Comment: 361-230-9375

Corrective Action:

Date: _____

Good Housekeeping:

Type	UNUSED EQUIPMENT		
Comment:	Drilling mud tanks at GPS 39.61390, -104.53129, tank next to trailer and container next to trailer (see attached photos).		
Corrective Action:	Comply with Rule 603.f .	Date:	01/22/2018

Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

Comment:

☐ Multiple Spills and Releases?**Fencing/:**

Type	LOCATION		
Comment:	barbed wire		
Corrective Action:		Date:	

Equipment:

				corrective date
Type: VRT	# 2			
Comment:	at tank battery			
Corrective Action:		Date:		
Type: Dehydrator	# 1			
Comment:	for gas plant			
Corrective Action:		Date:		
Type: Emission Control Device	# 3			

Comment:	One at tank battery, GPS 39.61441, -104.53053, pilot not on. Two at gas plant, GPS 39.61543, -104.53130, venting, GPS 39.61540, -104.53125, pilot not on. Concrete pads, solar panels.			Date:	
Corrective Action:				Date:	
Type: Compressor	#				
Comment:	for gas plant				
Corrective Action:				Date:	
Type: Bird Protectors	# 5				
Comment:	on ECDs and separators				
Corrective Action:				Date:	
Type: Flare	# 1				
Comment:	at gas plant, on trailer				
Corrective Action:				Date:	
Type: Plunger Lift	# 2				
Comment:	solar panels, motor valves				
Corrective Action:				Date:	
Type: Flow Line	#				
Comment:	Above ground line from tanks to ECD (see attached photo), 2" flowlines at wellhead (see attached photo)				
Corrective Action:				Date:	
Type: Horizontal Heated Separator	# 2				
Comment:	At GPS 39.61420, -104.53053, solar panels				
Corrective Action:				Date:	

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
OTHER	1	300 BBLs	GAS PLANT		39.615370,-104.530790
Comment:	1 AST tank, two large volume flammable gas cylinders (bermed), dehydrator unit, heaters, compressor, miscellaneous equipment. (see attached photos). Flare, dehydrator, compressor and 2 ECDs listed in equipment above.				
Corrective Action:					Date:

Paint

Condition	
Other (Content)	no label
Other (Capacity)	no label
Other (Type)	

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Earth	Adequate	Walls Sufficient	Base Sufficient	Adequate	
Comment:	lined				
Corrective Action:					
Date:					
Contents	#	Capacity	Type	Tank ID	SE GPS
OTHER	8	OTHER	STEEL AST		39.613730,-104.530570
Comment:	See Signs/Marker section for labels.				

Corrective Action:		Date:	
Paint			
Condition	Adequate		
Other (Content)	no label		
Other (Capacity)	no label		
Other (Type)			
Berms			
Type	Capacity	Permeability (Wall)	Permeability (Base)
Metal			
Comment:		liner installation is in process	
Corrective Action:		Date:	
Venting:			
Yes/No	YES		
Comment:	North ECD at gas plant.		
Corrective Action:		Date:	
Flaring:			
Type	Field Flare		
Comment:	See attached photos.		
Corrective Action:		Date:	

Location Construction

Location ID: 449923 CDP: _____

Comment: _____

Corrective Action: _____ Date: _____

Form 2A COAs:

Comment: _____

Corrective Action: _____ Date: _____

Wildlife BMPs:

Comment: _____

Corrective Action: _____ Date: _____

Comment: No problems seen on intermittent stream side of location.

Corrective Action: _____ Date: _____

On Site Inspection (305):

Surface Owner Contact Information:

Name: _____ Address: _____

Phone Number: _____ Cell Phone: _____

Operator Rep. Contact Information:

Landman Name: _____ Phone Number: _____

Date Onsite Request Received: _____ Date of Rule 306 Consultation: _____

Request LGD Attendance: _____

LGD Contact Information:

Name: _____ Phone Number: _____ Agreed to Attend: _____

Summary of Landowner Issues:

Summary of Operator Response to Landowner Issues:

Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:

Inspected Facilities

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

Producing Well

Comment: PR. Oct 2017 production (gas) reported to COGCC database. Tubing 250 psi, casing 1731 psi.

Corrective Action:

Date:

BradenHead

Comment: Plumbed to surface, no gauge.

Corrective Action:

Date:

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

Producing Well

Comment: PR. Oct 2017 production reported to COGCC database. Tubing 250 psi, casing 1717 psi.

Corrective Action:

Date:

BradenHead

Comment: Plumbed to surface, no gauge.

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 land**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 REVEGETATIONCropland

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 ☐

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Berms	Pass	Culverts	Pass			
Gravel	Pass	Waddles	Pass			
Rip Rap	Pass	Check Dams	Pass			
Waddles	Pass	Ditches	Pass			
Compaction	Pass	Gravel	Pass			
Other	Pass	Compaction	Pass	Material Handling And Spill Prevention	Pass	vegetation

Comment: Corrective Action: Date: Pits: ☒ NO SURFACE INDICATION OF PIT**Attached Documents**You can go to COGCC Images (<https://cogcc.state.co.us/weblink/>) and search by document number:

Document Num	Description	URL
401494911	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4334242
688300878	Highlands Powell and Wildhorse	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4334238