

**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:

03/22/2018

Submitted Date:

03/29/2018

Document Number:

681701013**FIELD INSPECTION FORM**Loc ID 317349 Inspector Name: Arauza, Steven On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**OGCC Operator Number: 24320Name of Operator: DIAMOND OPERATING, INC.Address: 6666 GUNPARK DR STE #200City: BOULDER State: CO Zip: 80301**Status Summary:**

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

Findings:17 Number of Comments11 Number of Corrective Actions

- ☒
- Corrective Action Response Requested

Contact Information:

Contact Name	Phone	Email	Comment
Young, Rob		rob.young@state.co.us	
Leonard, Mike		mike.leonard@state.co.us	
Peterson, Dave	(303) 494-4420	davep@flatironenergy.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
104604	PIT	AC			-	WARD 4	EI
117678	PIT	AC			-	WARD	EI
451311	SPILL OR RELEASE	AC			-	Ward water pit 117618	EI
454249	SPILL OR RELEASE	AC			-	Ward 5	EI

General Comment:

COGCC environmental inspection of tank battery and pit complex. Follow-up to Spill Report #401324821 and Remediation Project #10429.

LocationOverall Good: ☐**Signs/Marker:**

Type	BATTERY		
Comment:	Adequate		
Corrective Action:		Date:	
Type	TANK LABELS/PLACARDS		
Comment:	Skim tank lacks NFPA placard and volume/content labels.		
Corrective Action:	Install sign to comply with Rule 210.b.	Date:	05/29/2018

Emergency Contact Number:

Comment:		
Corrective Action:		Date: _____

Good Housekeeping:

Type	UNUSED EQUIPMENT		
Comment:	Unused equipment (junk pipe) east of 500 bbl produced water AST and at NW corner of CDPHE discharge pit. See photos.		
Corrective Action:	Comply with Rule 603.f. (unused equipment)	Date:	04/29/2018

Overall Good: ☐**Spills:**

Type	Area	Volume		
Crude Oil	Tank	>= 5 bbls		
Comment:	Historical accumulations of oily waste underlying 500 bbl crude oil ASTs and valves. See photos.			
Corrective Action:	Remove and properly dispose of oily waste, per Rule 907.e.			Date: 04/29/2018

In Containment: No

Comment: ☐ Multiple Spills and Releases?**Tanks and Berms:**

Contents	#	Capacity	Type	Tank ID	SE GPS	
OTHER	1	OTHER	Open Top		,	
Comment:	Open top skim tank.					
Corrective Action:					Date:	

Paint

Condition		
Other (Content)	Skim tank	
Other (Capacity)		
Other (Type)		

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Inadequate			Inadequate

Comment:		Earthen berm (shared with 500 bbl produced water AST) is shallow and eroded. See photos.					
Corrective Action:		Repair or install berms or other secondary containment devices per Rule 605.a.(4). (skim tank)				Date: 04/29/2018	
Contents	#	Capacity	Type	Tank ID	SE GPS		
PRODUCED WATER	1	500 BBLS	STEEL AST		,		
Comment:							
Corrective Action:						Date:	
<u>Paint</u>							
Condition							
Other (Content)							
Other (Capacity)							
Other (Type)							
<u>Berms</u>							
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance			
Earth	Inadequate			Inadequate			
Comment:		Earthen berm (shared with skim tank) is shallow and eroded. See photos.					
Corrective Action:		Repair or install berms or other secondary containment devices per Rule 605.a.(4). (500 bbl produced water AST)				Date: 04/29/2018	
Contents	#	Capacity	Type	Tank ID	SE GPS		
CRUDE OIL	2	500 BBLS	STEEL AST		,		
Comment:		Historical accumulations of oily waste underlying 500 bbl crude oil ASTs. See photos.					
Corrective Action:		Securely fasten all valves, pipes, and fittings to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 605.d. (crude oil ASTs)				Date: 04/29/2018	
<u>Paint</u>							
Condition							
Other (Content)							
Other (Capacity)							
Other (Type)							
<u>Berms</u>							
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance			
Earth	Inadequate		Base Insufficient	Inadequate			
Comment:		Earthen berms shared by 500 bbl crude oil ASTs are shallow and eroded. Base of berms also is eroded and undercutting ASTs. See photos.					
Corrective Action:		Repair or install berms or other secondary containment devices per Rule 605.a.(4). (crude oil ASTs).				Date: 04/29/2018	
Contents	#	Capacity	Type	Tank ID	SE GPS		
PRODUCED WATER	2	OTHER	STEEL AST		,		
Comment:							
Corrective Action:						Date:	
<u>Paint</u>							
Condition							
Other (Content)							
Other (Capacity)	400 bbls & 200 bbls						

Other (Type)					
Berms					
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Earth	Inadequate			Inadequate	
Comment:	Earthen berm shared by 200 bbl & 400 bbl produced water ASTs is shallow and eroded. See photos.				
Corrective Action:	Repair or install berms or other secondary containment devices per Rule 605.a.(4). (produced water ASTs)				Date: 04/29/2018
Venting:					
Yes/No					
Comment:					
Corrective Action:					Date:
Flaring:					
Type					
Comment:					
Corrective Action:					Date:

Inspected Facilities

Facility ID: <u>104604</u>	Type: <u>PIT</u>	API Number: <u>-</u>	Status: <u>AC</u>	Insp. Status: <u>EI</u>
Facility ID: <u>117678</u>	Type: <u>PIT</u>	API Number: <u>-</u>	Status: <u>AC</u>	Insp. Status: <u>EI</u>
Facility ID: <u>451311</u>	Type: <u>SPILL OR</u>	API Number: <u>-</u>	Status: <u>AC</u>	Insp. Status: <u>EI</u>
Facility ID: <u>454249</u>	Type: <u>SPILL OR</u>	API Number: <u>-</u>	Status: <u>AC</u>	Insp. Status: <u>EI</u>

Environmental**Waste Management:**

Type	Management	Condition	GPS (Lat)	(Long)
Oily Soil	Piles	Inadequate		
Comment:	Stockpile of oily waste (~50 cu. yds) related to Spill ID #454249 at entrance to tank battery. See photos.			
Corrective Action:	Remove and properly dispose of oily waste, per Rule 907.e.			Date: 04/13/2018

Spill/Remediation:

Comment:	Initial Spill Report, doc #401324821, lists discovery date of 6/26/2017. To date, operator has not submitted an eForm 19 Supplemental Spill Report for Spill ID #451311.			
Corrective Action:	Immediately submit Supplemental eForm 19 Spill Report with attachments required by Rule 906.b and conditions of approval for Initial Spill Report doc #401324821.			Date: 07/06/2017

Emission Control Burner (ECB): _____

Comment: _____

Pilot: _____ Wildlife Protection Devices (fired vessels): _____

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

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment

Comment: Corrective Action: Date: **Pits:** ☐ NO SURFACE INDICATION OF PITType: Produced WaterLined: NOPit ID: 117678Lat: 39.899821Long: -103.404917Reference Point: Other: Length: 150Width: 60**Lining:**Liner Type: Liner Condition: Comment: Corrective Action: Date: c**Fencing:**Fencing Type: Fencing Condition: Comment: Corrective Action: Date: **Netting:**Netting Type: Netting Condition: Comment: Mesh-covered vertical culvert at SE corner of pit. See photos.Corrective Action: Date: Anchor Trench Present: Oil Accumulation: NO2+ feet Freeboard: YESComment: Corrective Action: Date: Type: Produced WaterLined: NOPit ID: Lat: Long: Reference Point: Other: Length: Width: **Lining:**Liner Type: Liner Condition: Comment: CDPHE Discharge Facility. Permit #COG840019.Corrective Action: Date: c**Fencing:**Fencing Type: Fencing Condition: Comment: Corrective Action: Date: **Netting:**Netting Type: Netting Condition:

Comment:				Date:
Corrective Action				
Anchor Trench Present:	Oil Accumulation: <u>NO</u>	2+ feet Freeboard: <u>NO</u>		
Comment:	<u>East pit lacks method of monitoring freeboard. See photos.</u>			
Corrective Action	<u>Install method of monitoring and maintaining freeboard, per Rule 902.b. (east pit).</u>			Date: <u>04/29/2018</u>
Type: <u>Produced Water</u>	Lined: <u>NO</u>	Pit ID: <u>104604</u>	Lat: <u>39.900197</u>	Long: <u>-103.404641</u>
Reference Point: _____	Other: _____	Length: _____	Width: _____	
<u>Lining:</u>				
Liner Type:	Liner Condition:			
Comment:				
Corrective Action				Date: <u>c</u>
<u>Fencing:</u>				
Fencing Type:	Fencing Condition:			
Comment:				
Corrective Action				Date:
<u>Netting:</u>				
Netting Type:	Netting Condition:			
Comment:				
Corrective Action				Date:
Anchor Trench Present:	Oil Accumulation:	2+ feet Freeboard:		
Comment:	<u>Open excavation remaining (to be closed under Remediation Project #10429).</u>			
Corrective Action				Date:

Attached Documents

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

Document Num	Description	URL
681701023	Field photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4417720