

**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:

02/11/2020

Submitted Date:

02/19/2020

Document Number:

688306930**FIELD INSPECTION FORM**Loc ID 316946 Inspector Name: Sherman, Susan On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**OGCC Operator Number: 10725Name of Operator: VALKYRIE OPERATING LLCAddress: 1600 STOUT STREET SUITE 1000City: DENVER State: CO Zip: 80202**Status Summary:**

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

Findings:7 Number of Comments1 Number of Corrective Actions☒ Corrective Action Response Requested**ANY CORRECTIVE ACTION(S) FROM
PREVIOUS INSPECTIONS THAT HAVE NOT
BEEN ADDRESSED ARE STILL APPLICABLE****Contact Information:**

Contact Name	Phone	Email	Comment
Dunham, Tyson	(307) 388-2290	tdunham@sagapetroleum.com	
Whittington, John	720-580-8080	jwhittington@valkyrie-Resources.com	Principal Agent

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
233379	WELL	SI	10/01/2018	OW	121-05415	JONES-DUPREE 1	SI

General Comment:

Reinspection, corrective actions completed, sign and Form 7s.

MIT will be due 10/2020 if not produced before that time.

Crude oil tank, second in line from the south, has a valve leak on the south side and the thief hatch needs to be checked as oil has run out the top (see attached photos).

LocationOverall Good: ☒

Signs/Marker:			
Type	CONTAINERS		
Comment:			
Corrective Action:		Date:	
Type	TANK LABELS/PLACARDS		
Comment:			
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:			
Corrective Action:		Date:	
Type	BATTERY		
Comment:			
Corrective Action:		Date:	

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Good Housekeeping:

Type	OTHER		
Comment:	Crude oil tank (second from the south) has a valve leaking and the thief hatch has leaked (see attached 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. Properly dispose of stained soils.	Date:	03/12/2020

Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

Comment:

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

Type	TANK BATTERY		
Comment:			
Corrective Action:		Date:	

Equipment:

corrective date

Type: FWKO	# 2		
Comment:			
Corrective Action:		Date:	
Type: Submersible Pump	# 1		

Comment:		Date:	
Corrective Action:		Date:	
Type: Vertical Heater Treater	# 2		
Comment:		Date:	
Corrective Action:		Date:	
Type: Other	# 1		
Comment:	triplex pump	Date:	
Corrective Action:		Date:	
Type: Deadman # & Marked	# 4		
Comment:		Date:	
Corrective Action:		Date:	

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
CRUDE OIL	1	300 BBLs	STEEL AST		,
Comment:					
Corrective Action:					Date:

Paint

Condition	
Other (Content)	
Other (Capacity)	
Other (Type)	

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate			
Comment:				
Corrective Action:				Date:

Contents	#	Capacity	Type	Tank ID	SE GPS
OTHER	1	200 BBLs	OTHER		,
Comment:	haystack				
Corrective Action:					Date:

Paint

Condition	
Other (Content)	
Other (Capacity)	
Other (Type)	

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate			
Comment:				
Corrective Action:				Date:

Contents	#	Capacity	Type	Tank ID	SE GPS	
USED OIL	1	<50 BBLS	PLASTIC 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	Adequate					
Comment:						
Corrective Action:						Date:
Contents	#	Capacity	Type	Tank ID	SE GPS	
CRUDE OIL	2	400 BBLS	HEATED 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	Adequate					
Comment:						
Corrective Action:						Date:
Contents	#	Capacity	Type	Tank ID	SE GPS	
CRUDE OIL	2	400 BBLS	STEEL AST		,	
Comment:						
Corrective Action:						Date:
<u>Paint</u>						
Condition	Adequate					
Other (Content)						
Other (Capacity)						
Other (Type)						
<u>Berms</u>						
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance		
Earth	Adequate					

Comment:							
Corrective Action:						Date:	
Contents	#	Capacity	Type	Tank ID	SE GPS		
CRUDE OIL	3	1500 GAL	STEEL AST		,		
Comment:		bolted tanks					
Corrective Action:						Date:	
<u>Paint</u>							
Condition	Adequate						
Other (Content)							
Other (Capacity)							
Other (Type)							
<u>Berms</u>							
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance			
Earth	Adequate						
Comment:							
Corrective Action:						Date:	
Contents	#	Capacity	Type	Tank ID	SE GPS		
PRODUCED WATER	4	400 BBLS	STEEL AST		,		
Comment:							
Corrective Action:						Date:	
<u>Paint</u>							
Condition	Adequate						
Other (Content)							
Other (Capacity)							
Other (Type)							
<u>Berms</u>							
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance			
Earth	Adequate						
Comment:							
Corrective Action:						Date:	
<u>Venting:</u>							
Yes/No	NO						
Comment:							
Corrective Action:						Date:	
<u>Flaring:</u>							
Type							
Comment:							
Corrective Action:						Date:	

Inspected FacilitiesFacility ID: 233379 Type: WELL API Number: 121-05415 Status: SI Insp. Status: SI**Idle Well**Purpose: ☒ Shut In ☐ Temporarily Abandoned

Reminder: _____

Comment: SI since 10/1/2018. Will require and MIT by 10/1/2020 if not produced before that time.

Corrective Action: _____

Date: _____

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

Document Num	Description	URL
402317698	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5072034
688307030	Valkyrie Operating Jones-Dupree 1	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5072002