

**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:

04/10/2020

Submitted Date:

05/11/2020

Document Number:

699700134

FIELD INSPECTION FORMLoc ID 311853 Inspector Name: Heil, John On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**

OGCC Operator Number: 10384

Name of Operator: GENESIS GAS & OIL COLORADO LLC

Address: 900 NE LOOP 410 STE D211

City: SAN ANTONIO State: TX Zip: 78209

Status Summary:

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

Findings:

8 Number of Comments

6 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 |
|----------------|--------------|---------------------------|-------------------------------|
| Moran, Rick | | rick.moran@state.co.us | |
| Karcz, Jeffery | | jkarcz@genesigoco.com | Manager – Land and Regulatory |
| Kimmel, March | 210-363-2859 | mkimmel@genesigoco.com | |
| Pesicka, Conor | | conor.pesicka@state.co.us | |
| Roberts, James | 970-620-6589 | j75rober@blm.gov | |
| Fischer, Alex | | alex.fischer@state.co.us | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------------------|--------|-------------|------------|-----------|-------------------------------|-------------|
| 159218 | UIC DISPOSAL | AC | 02/26/2008 | | - | FLETCHER GULCH 3-31 WD | EI |
| 286511 | WELL | SI | 12/04/2013 | GW | 103-10888 | FLETCHER GULCH 3-31 | EI |
| 293056 | WELL | SI | 12/17/2012 | DSPW | 103-11095 | FLETCHER GULCH 3-31WD | EI |
| 475580 | SPILL OR RELEASE | AC | 05/04/2020 | | - | Fletcher Gulch 3-31WD, 286511 | EI |

General Comment:

On April 30, 2020, COGCC Environmental Staff (John Heil) conducted an environmental field inspection of GENESIS GAS & OIL COLORADO LLC (Genesis, operator # 10384) FLETCHER GULCH # 3-31 location ID 311853 and Spill/Release ID 475580.

The following compliance issues are uncompleted:

- 1) Missing "911" on battery sign. Complete by 9-30-2019.
- 2) Holes in tank battery secondary containment liner. Complete by 8-30-2019.
- 3) Tank labels missing operator name & phone number. Complete by 9-30-2019.

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

| | | | |
|--------------------|--|-------|------------|
| Type | TANK LABELS/PLACARDS | | |
| Comment: | Tank label missing operator name & phone number. | | |
| Corrective Action: | Install sign to comply with Rule 210.d. | Date: | 09/30/2019 |

Emergency Contact Number:

| | | | |
|--------------------|---|-------|------------|
| Comment: | Missing "911" on battery sign. | | |
| Corrective Action: | Install sign to comply with Rule 210.b. | Date: | 09/30/2019 |

Good Housekeeping:

| | | | |
|--------------------|--|-------|------------|
| Type | UNUSED EQUIPMENT | | |
| Comment: | Unused equipment (within tank battery secondary containment: fire tube, hoses and west of the tank battery: pipes) | | |
| Corrective Action: | Comply with Rule 603.f. (30 days for hoses, 90 days for fire tube and pipes) | Date: | 08/11/2020 |

Overall Good: ☐**Spills:**

| | | | | |
|------|------|--------|--|--|
| Type | Area | Volume | | |
|------|------|--------|--|--|

In Containment: No

Comment:

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

| Contents | # | Capacity | Type | Tank ID | SE GPS | |
|--------------------|---|----------|-----------|---------|--------|------------------|
| PRODUCED WATER | 4 | 400 BBLs | STEEL AST | | , | |
| Comment: | West steel AST missing manhole cover and has multiple holes in the base. Wildlife protection devices not adequate (open manhole on the west steel AST). | | | | | |
| Corrective Action: | Repair tank per 605.d and 907.a.1 if returning to use or remove tank per 603.f if it will not be used. Install or repair wildlife protection equipment (30 days). | | | | | Date: 07/11/2020 |

Paint

| | | |
|------------------|--|--|
| Condition | | |
| Other (Content) | | |
| Other (Capacity) | | |
| Other (Type) | | |

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|--------------------|--|---------------------|---------------------|------------------|
| Metal | Adequate | Walls Insufficient | | Inadequate |
| Comment: | Various size holes in the tank battery secondary containment. Operator constructed an earthen berm around the lined metal containment which is not sufficiently impervious to contain spilled or released materials. | | | |
| Corrective Action: | Install liner material to ensure spill or released materials will be maintained with containment structure. | | | |
| | | | | Date: 08/30/2019 |

Venting:

| | | | |
|--------------------|--|-------|--|
| Yes/No | | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Flaring:

| | | |
|--------------------|--|-------|
| Type | | |
| Comment: | | |
| Corrective Action: | | Date: |

Inspected Facilities

| | | | | |
|----------------------------|-----------------------|------------------------------|-------------------|-------------------------|
| Facility ID: <u>159218</u> | Type: <u>UIC</u> | API Number: <u>-</u> | Status: <u>AC</u> | Insp. Status: <u>EI</u> |
| Facility ID: <u>286511</u> | Type: <u>WELL</u> | API Number: <u>103-10888</u> | Status: <u>SI</u> | Insp. Status: <u>EI</u> |
| Facility ID: <u>293056</u> | Type: <u>WELL</u> | API Number: <u>103-11095</u> | Status: <u>SI</u> | Insp. Status: <u>EI</u> |
| Facility ID: <u>475580</u> | Type: <u>SPILL OR</u> | API Number: <u>-</u> | Status: <u>AC</u> | Insp. Status: <u>EI</u> |

Environmental**Spills/Releases:**

Type of Spill: PRODUCED WATER

Estimated Spill Volume: _____

Comment: 4/15/2020 COGCC Inspector Rick Moran observed fluid flowing out of valves on top of the two northern 400 bbl produced water steel ASTs. The fluids traveled approximately 1400 feet off location, down the access road, through a culvert and down a dry drainage (4/15/2020 Inspection Doc #700401041). See Spill/Release ID 475580 for more information. 4/30/2020 COGCC Environmental staff John Heil conducted an inspection in and around the tank battery, down the access road and the dry drainage where the fluids had traveled. Impacted material with a detectable hydrocarbon odor was observed around the west steel AST open manhole. The same impacted material was observed during Rick Moran's 7/31/2019 Inspection Doc #679704940. Various sized holes were observed in the tank battery secondary containment liner which allowed the fluid from the northern steel ASTs to travel out of containment and off of location.

Corrective Action: Operator shall submit an eForm 27 to investigate for impacts based on the holes in the tank and holes in the tank battery secondary containment.

Date: 07/11/2020

Reportable: YES

GPS: Lat _____ Long _____

Proximity to Surface Water:

Depth to Ground Water: _____

Water Well Complaint:

Lat _____ Long _____

DWR Receipt Num: _____ Owner Name: _____ GPS : _____

Field Parameters:

Sample Location: _____ Comment: _____

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

| Document Num | Description | URL |
|--------------|----------------------|---|
| 402394487 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5146471 |
| 699700136 | 20200430 Photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5146469 |