

From: Hughes - DNR, Jim

Sent: Tuesday, December 18, 2018 2:45 PM

To: Mike Hanson

Subject: Re: COGCC FIELD INSPECTION REPORT [Doc#688800385, Loc Id: 439714 Name: La Plata 34-7 33 #1] SUBMITTED NOTICE

Thank you for the update Mike.

I got your message this afternoon.

Thanks,

Jim Hughes

Environmental Protection Specialist

C 970.903.4072

P.O. Box 4453 Durango, Colorado 81302

jimo.hughes@state.co.us | www.colorado.gov/cogcc

On Tue, Dec 18, 2018 at 7:27 AM Mike Hanson <mhanson@cog-fmn.com> wrote:

Jim,

This is Mike Hanson with Coleman Oil & Gas, Inc, Aztec 507 drilling rig should get moved today and we will clean up coal fines. Coal fines will be hauled off to land farm in roll off ben. Expect to MIRU completion rig tomorrow AM. If there is additional information you need, please let me know.

I tried you on your cell phone left message.

La Plata 34-7-33#2

API# 05-067-10026-00

Thanks,

Michael T Hanson

Operations Engineer

Coleman Oil & Gas, Inc

Main (505) 327-0356

Direct (505) 566-1996

Mobile (505) 330-2903

mhanson@cog-fmn.com

Inspector Name: Hughes, Jim

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:
12/05/2018
Submitted Date:
12/11/2018
Document Number:
688800385

FIELD INSPECTION FORM

Loc ID 439714 Inspector Name: Hughes, Jim 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: 18160
Name of Operator: COLEMAN OIL & GAS INC
Address: PO BOX 3337
City: FARMINGTON State: NM Zip: 87499

Findings:

- 15 Number of Comments
- 1 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 |
|---------------|----------------|--------------------------|-----------------|
| Hanson, Mike | (505) 566-1996 | mhanson@cog-fmn.com | SW Insp Reports |
| Fischer, Alex | | alex.fischer@state.co.us | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|---------------------|-------------|
| 439621 | WELL | PR | 09/22/2015 | GW | 067-09916 | La Plata 34-7 33 #1 | EI |
| 439623 | WELL | PR | 12/19/2017 | GW | 067-09917 | La Plata 34-7 34 #1 | EI |
| 457487 | WELL | DG | 11/16/2018 | | 067-10026 | La Plata 34-7-33 2 | EI |

General Comment:

On December 5, 2018 COGCC SW EPS Jim Hughes conducted an environmental field inspection of the Coleman La Plata 34-7-33 #2. Aztec Drilling Rig #507 was on location during this inspection.

| Location | | | |
|--|--|--------|-----------------|
| Lease Road: | | | |
| Type Access | | | |
| comment: | | | |
| Corrective Action: | | | Date: |
| Overall Good: <input checked="" type="checkbox"/> | | | |
| Signs/Marker: | | | |
| Type | DRILLING/RECOMP | | |
| Comment: | Aztec 507 signed in from County Road 521. | | |
| Corrective Action: | | | Date: |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | ASTs have labels and placards. | | |
| Corrective Action: | | | Date: |
| Type | WELLHEAD | | |
| Comment: | Free standing sign near location entrance, and near each additional well head on location. | | |
| Corrective Action: | | | Date: |
| Emergency Contact Number: | | | |
| Comment: | Posted on location signs. | | |
| Corrective Action: | | | Date: _____ |
| Overall Good: <input type="checkbox"/> | | | |
| Spills: | | | |
| Type | Area | Volume | |
| In Containment: No | | | |
| Comment: | | | |
| <input type="checkbox"/> Multiple Spills and Releases? | | | |
| Fencing/: | | | |
| Type | WELLHEAD | | |
| Comment: | Jersey barriers around existing well heads. | | |
| Corrective Action: | | | Date: |
| Equipment: | | | |
| Type: Ancillary equipment | # 2 | | corrective date |
| Comment: | Underground valve access cans. | | |
| Corrective Action: | | | Date: |
| Type: Bird Protectors | # 2 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Ancillary equipment | # 2 | | |
| Comment: | Chemical injection systems. | | |
| Corrective Action: | | | Date: |

Inspector Name: Hughes, Jim

| | | |
|---------------------------------|-----|-------|
| Type: Vertical Heated Separator | # 2 | |
| Comment: | | |
| Corrective Action: | | Date: |
| Type: Gas Meter Run | # 3 | |
| Comment: | | |
| Corrective Action: | | Date: |

Tanks and Berms:

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|---|----------|-----------|---------|-----------------------|
| PRODUCED WATER | 2 | 500 BBLS | STEEL AST | | 37.140484,-107.607113 |
| Comment: | | | | | |
| Corrective Action: | | | | | Date: |

Paint

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

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|--------------------|-----------------------------------|---------------------|---------------------|-------------|
| Other | Adequate | Walls Sufficient | Base Sufficient | Adequate |
| Comment: | Lined plastic containment system. | | | |
| Corrective Action: | | | | Date: |

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|---|----------|-----------|---------|-----------------------|
| OTHER | 6 | 500 BBLS | STEEL AST | | 37.140847,-107.607984 |
| Comment: | Six skid mounted ASTs labeled mud, brine, and produced water. | | | | |
| Corrective Action: | | | | | Date: |

Paint

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

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|--------------------|------------------------------|---------------------|---------------------|-------------|
| Other | Adequate | Walls Sufficient | Base Sufficient | Adequate |
| Comment: | Lined secondary containment. | | | |
| Corrective Action: | | | | Date: |

Venting:

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

Flaring:

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

| | | |
|--|--|--|
| | | |
|--|--|--|

Inspector Name: Hughes, Jim

Inspected Facilities

Facility ID: 439621 Type: WELL API Number: 067-09916 Status: PR Insp. Status: EI

Facility ID: 439623 Type: WELL API Number: 067-09917 Status: PR Insp. Status: EI

Facility ID: 457487 Type: WELL API Number: 067-10026 Status: DG Insp. Status: EI

Environmental

Spills/Releases:

Type of Spill: DRILLING CUTTINGS

Estimated Spill Volume: _____

Comment: Drill cuttings on the ground from the shaker to the roll off dumpster bin.

Corrective Action: E & P waste not properly stored, handled, transported, treated, recycled, or disposed per Rule 907.a. Contact COGCC EPS staff.

Date: 12/13/2018

Reportable: NO

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: _____

Spill/Remediation:

Comment: _____

Corrective Action: _____

Date: _____

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 |
|------------------|-----------------|-------------------------|-----------------------|--|--------------------------|---|
| Compaction | Pass | Gravel | Pass | | | |
| Berms | Pass | Compaction | Pass | Material Handling And Spill Prevention | In Process | Cutting spilled in transfer from shaker to bin. |

Comment:

Corrective Action:

Cleaned up waste and sent to land farm with closed loop waste

Date: *12/20/2018*

Pits: NO SURFACE INDICATION OF PIT

COGCC Comments

| Comment | User | Date |
|---|----------|------------|
| On December 5, 2018 COGCC SW EPS Jim Hughes conducted an environmental field inspection of the Coleman La Plata 34-7-33 #2. Aztec Drilling Rig #507 was on location during this inspection. Drill cuttings from the closed loop system for cuttings management have been spread on the ground in the area of the shale shaker and the cuttings bin used for disposal. | hughesjo | 12/11/2018 |

Attached Documents

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

| Document Num | Description | URL |
|--------------|----------------------|---|
| 401869661 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4671681 |
| 688800386 | Inspection Photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4671677 |

