

**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:

11/03/2017

Submitted Date:

11/07/2017

Document Number:

688300577**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:12 Number of Comments1 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
Mendell, Paul	(303) 495-4138	paul.mendell@highlandsnr.com	Designated Agent/Geologist
Miller, Stephen	(361) 230-9375	stephen.miller@highlandsnr.com	Designated Agent/Engineer
Anderson, Eric	(303) 798-0356	eric.anderson@highlandsnr.com	Principal Agent/Land Manager
Chesson, Bob	(303) 894-2100 X5112	robert.chesson@state.co.us	COGCC EPS

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
449921	WELL	DG	08/09/2017		005-07267	WILDHORSE 5-64 15-16-1BHZ	WO
449923	WELL	DG	08/09/2017		005-07269	POWELL 5-64 15-16-1CHZ	WO

General Comment:

LocationOverall Good: ☒**Signs/Marker:**

Type	OTHER		
Comment:	location signs at gate		
Corrective Action:		Date:	

Emergency Contact Number:

Comment:	361-230-9375	Date:	
Corrective Action:			

Overall Good: ☐**Spills:**

Type	Area	Volume		
Crude Oil	Tank	<= 1 bbl		
Comment:	Four BBLs of crude oil leaked from tank latch the morning of 11/3/2017. Contained and stained soil stockpiled immediately as witnessed by Inspector that afternoon except for oil under tanks. Samples will be collected for TPH and BTEX on 11/7/2017 by subcontractor to verify cleanup. Stained soils will be sampled for disposal. COGCC Environmental (RY) contacted to verify that TPH and BTEX samples were required. Inspector returned on 11/6/2017 to find the tanks removed and the area visually clean. See attached photos. A Form 19 was submitted on 11/3/2017 and landowner and Arapahoe County contacted per operator.			
Corrective Action:	E&P Waste not properly stored, handled, transported, treated, recycled, or disposed per Rule 907. Contact COGCC EPS staff. Provide waste transportation and final disposition information in accordance with 907.b.(2) for all E&P waste transported off site.			Date: 11/21/2017

In Containment: No

Comment: Flowback tanks did not have containment nor labels. Per Operator, tanks will have containment and labels in the future.

☐ Multiple Spills and Releases?**Equipment:**

Type: Other	#		corrective date
Comment:	flowback frac tanks		
Corrective Action:		Date:	
Type: Emission Control Device	# 1		
Comment:	QTI combustor, venting		
Corrective Action:		Date:	

Venting:

Yes/No		
Comment:		
Corrective Action:		Date:

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Inspected FacilitiesFacility ID: 449921 Type: WELL API Number: 005-07267 Status: DG Insp. Status: WOFacility ID: 449923 Type: WELL API Number: 005-07269 Status: DG Insp. Status: WO**Completion**Operation: FlowbackDate Flowback: 11/03/2017Contractor: CovenantComment: Flowback started on Oct 25, 2017.

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 property, gas plant under construction as there is no sales line to the location, MLVT has been removed from location**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 ☐

Attached Documents

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

Document Num	Description	URL
688300590	Highlands Wildhorse and Powell spill @ flowback	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4296884