

**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:

05/15/2017

Submitted Date:

05/18/2017

Document Number:

673715467

FIELD INSPECTION FORM

Loc ID 317024 Inspector Name: Sherman, Susan 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: 35190
Name of Operator: GRAYHORSE OPERATING INC
Address: 20 EAST 5TH ST STE 320
City: TULSA State: OK Zip: 74103

Findings:

- 21 Number of Comments
- 0 Number of Corrective Actions
- Corrective Action Response Requested

Contact Information:

| Contact Name | Phone | Email | Comment |
|----------------|----------------|-----------------------|---------|
| Crumley, Tim | (970) 768-5658 | tcrumley@comcast.net | |
| Ellis, Charles | (918) 382-9201 | caellis@grayhorse.net | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|----------------|-------------|
| 234567 | WELL | PR | 01/25/1965 | OW | 121-06694 | HORN, RUTH B 2 | PR |

General Comment:

(This area is intentionally left blank for general comments.)

Location

Overall Good:

Signs/Marker:

| | | | |
|--------------------|----------------------|-------|--|
| Type | CONTAINERS | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | BATTERY | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | WELLHEAD | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | OTHER | | |
| Comment: | lease sign at CR R | | |
| Corrective Action: | | Date: | |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Overall Good:

Spills:

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

In Containment: No

Comment:

Multiple Spills and Releases?

Equipment:

| Type | | | corrective date |
|-------------------------------|---|-------|-----------------|
| Type: Emission Control Device | # 1 | | |
| Comment: | concrete pad, bird protector, GPS 40.005578, -103.410378, pilot on, gas scrubber | | |
| Corrective Action: | | Date: | |
| Type: Vertical Heater Treater | # 1 | | |
| Comment: | shed, bird protector, bermed, GPS 40.005609, -103.410356, propane tank | | |
| Corrective Action: | | Date: | |
| Type: Flow Line | # 1 | | |
| Comment: | NOT IN USE: risers west of VHT, GPS 40.005587, -103.410258 (see attached photo), Inventory, test, mark or cut and cap per Flowline NTO. | | |
| Corrective Action: | | Date: | |
| Type: Pump Jack | # 1 | | |
| Comment: | chemical container, concrete pad, casing vent (Johnson wellscreen) at wellhead- remove | | |

| | | | |
|--------------------------|---|-------|--|
| Corrective Action: | | Date: | |
| Type: Prime Mover | # 1 | | |
| Comment: | electric motor, REA Poles, electric panel | | |
| Corrective Action: | | Date: | |
| Type: Deadman # & Marked | # 4 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Flow Line | # 1 | | |
| Comment: | IN USE: @ GPS 40.007104, -103.412161 in steel panels on access road to well. Inventory, test and mark per Flowline NTO. | | |
| Corrective Action: | | Date: | |
| Type: Bird Protectors | # 2 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Tanks and Berms:

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|--------------|----------|-----------|---------|--------|
| PRODUCED WATER | 1 | 400 BBLs | STEEL AST | | |
| Comment: | gas scrubber | | | | |
| Corrective Action: | | | | | Date: |

Paint

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

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|--------------------|-------------------------------|---------------------|---------------------|-------------|
| | | | | |
| Comment: | same berms as crude oil tanks | | | |
| Corrective Action: | | | | Date: |

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|--|----------|-----------|---------|-----------------------|
| CRUDE OIL | 3 | 300 BBLs | STEEL AST | | 40.005594,-103.410299 |
| Comment: | tank valve leaking on easternmost oil tank, not on ground (see attached photo), Enardo valve on westernmost tank | | | | |
| Corrective Action: | | | | | Date: |

Paint

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

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|------|----------|---------------------|---------------------|-------------|
| | | | | |

| | | | | | |
|--------------------|----------|------------------|-----------------|----------|-------|
| Earth | Adequate | Walls Sufficient | Base Sufficient | Adequate | |
| Comment: | | | | | |
| Corrective Action: | | | | | Date: |

Venting:

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

Flaring:

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

Location Construction

Location ID: 234567 CDP: _____

Comment:

Corrective Action: Date: _____

Form 2A COAs:

Comment: No COAs.

Corrective Action: Date: _____

Wildlife BMPs:

Comment:

Corrective Action: Date: _____

Comment:

Corrective Action: Date: _____

On Site Inspection (305):

Surface Owner Contact Information:

Name: _____ Address: _____

Phone Number: _____ Cell Phone: _____

Operator Rep. Contact Information:

Landman Name: _____ Phone Number: _____

Date Onsite Request Received: _____ Date of Rule 306 Consultation: _____

Request LGD Attendance: _____

LGD Contact Information:

Name: _____ Phone Number: _____ Agreed to Attend: _____

Summary of Landowner Issues:

Summary of Operator Response to Landowner Issues:

Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:

Inspected Facilities

Facility ID: 234567 Type: WELL API Number: 121-06694 Status: PR Insp. Status: PR

Producing Well

Comment: [PR. Apr 2017 reported to COGCC database.](#)

Corrective Action:

Date:

Reclamation - Storm Water - Pit

Interim Reclamation:

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: _____

Comment:

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 REVEGETATION

Cropland

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: _____

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

Storm Water:

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
|------------------|-----------------|-------------------------|-----------------------|--|--------------------------|--|
| Other | Pass | Culverts | | Material Handling And Spill Prevention | Pass | bales on SW side of pits, also needed on SE side |
| Gravel | Pass | Gravel | Pass | | | |
| Compaction | Pass | Compaction | Pass | | | |

Comment: [Maintain culvert on access road \(see attached photo\).](#)

Corrective Action:

Date: _____

Pits: NO SURFACE INDICATION OF PIT

Type: Produced Water Lined: NO Pit ID: _____ Lat: 40.004312 Long: -103.410500

Reference Point: SW Other: _____ Length: 250 Width: 100

Lining:

Liner Type: _____ Liner Condition: _____

Comment: _____

Corrective Action

Date: c

Fencing:

Fencing Type: Livestock Fencing Condition: Adequate

Comment: _____

Corrective Action

Date: _____

Netting:

Netting Type: _____ Netting Condition: _____

Comment: _____

Corrective Action

Date: _____

Anchor Trench Present: _____ Oil Accumulation: NO 2+ feet Freeboard: YES

Comment: [westernmost pit](#)

Corrective Action

Date: _____

Type: Produced Water Lined: NO Pit ID: _____ Lat: _____ Long: _____

Reference Point: _____ Other: _____ Length: 75 Width: 75

Lining:

Liner Type: _____ Liner Condition: _____

Comment: _____

Corrective Action

Date: c

Fencing:

Fencing Type: Livestock Fencing Condition: Adequate

Comment: _____

Corrective Action

Date: _____

Netting:

| | | |
|--------------------------------|--|---|
| Netting Type: | Netting Condition: | |
| Comment: | <input style="width:100%;" type="text"/> | |
| Corrective Action | <input style="width:100%;" type="text"/> | Date: |
| Anchor Trench Present: | Oil Accumulation: <u>NO</u> | 2+ feet Freeboard: <u>YES</u> |
| Comment: | <u>Middle eastern pit</u> | |
| Corrective Action | <input style="width:100%;" type="text"/> | Date: |
| Type: <u>Produced Water</u> | Lined: <u>NO</u> | Pit ID: Lat: Long: |
| Reference Point: _____ | Other: _____ | Length: <u>50</u> Width: <u>50</u> |
| <u>Lining:</u> | | |
| Liner Type: | Liner Condition: | |
| Comment: | <input style="width:100%;" type="text"/> | |
| Corrective Action | <input style="width:100%;" type="text"/> | Date: <u> </u> |
| <u>Fencing:</u> | | |
| Fencing Type: <u>Livestock</u> | Fencing Condition: <u>Adequate</u> | |
| Comment: | <input style="width:100%;" type="text"/> | |
| Corrective Action | <input style="width:100%;" type="text"/> | Date: |
| <u>Netting:</u> | | |
| Netting Type: | Netting Condition: | |
| Comment: | <input style="width:100%;" type="text"/> | |
| Corrective Action | <input style="width:100%;" type="text"/> | Date: |
| Anchor Trench Present: | Oil Accumulation: <u>NO</u> | 2+ feet Freeboard: <u>YES</u> |
| Comment: | <u>FBM, water pumping into pit, NE pit</u> | |
| Corrective Action | <input style="width:100%;" type="text"/> | Date: |
| Type: <u>Produced Water</u> | Lined: <u>NO</u> | Pit ID: Lat: <u>40.004180</u> Long: <u>-103.410331</u> |
| Reference Point: <u>SE</u> | Other: _____ | Length: <u>150</u> Width: <u>80</u> |
| <u>Lining:</u> | | |
| Liner Type: | Liner Condition: | |
| Comment: | <input style="width:100%;" type="text"/> | |
| Corrective Action | <input style="width:100%;" type="text"/> | Date: <u> </u> |
| <u>Fencing:</u> | | |
| Fencing Type: <u>Livestock</u> | Fencing Condition: <u>Adequate</u> | |
| Comment: | <input style="width:100%;" type="text"/> | |
| Corrective Action | <input style="width:100%;" type="text"/> | Date: |
| <u>Netting:</u> | | |
| Netting Type: | Netting Condition: | |
| Comment: | <input style="width:100%;" type="text"/> | |
| Corrective Action | <input style="width:100%;" type="text"/> | Date: |

| | | | |
|------------------------|-----------------------------|-------------------------------|-----------------|
| Anchor Trench Present: | Oil Accumulation: <u>NO</u> | 2+ feet Freeboard: <u>YES</u> | |
| Comment: | SE pit | | |
| Corrective Action | | | |
| Date: | | | |
| Permit: | Facility ID | Permit Num | Expiration Date |
| | 416057 | 2605628 | |
| | 416057 | 2605628 | |

COGCC Comments

| Comment | User | Date |
|---|----------|------------|
| See corrective action on inspection #678200673 from 3/17/2017 to provide a project update to REM #5061 regarding erosion control BMPs . The photos in this inspection from 5/15/2017 show that the west side of the remediation has good vegetative cover while the east side requires some stormwater BMPs where rills are forming so that vegetation will establish on the east side better. Discussed this with Rob Young/COGCC. The affected area contines from the SW corner of the pits at GPS 40.004312, -103.410500 down the slope to GPS 40.002822, -103.412382, ~750'. Some cheat grass is growing in the reclaimed area. | ShermaSe | 05/18/2017 |

Attached Documents

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

| Document Num | Description | URL |
|--------------|--------------------------|---|
| 673715483 | Grayhorse Horn, Ruth B 2 | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4151072 |