

**FORM
INSP**Rev
05/11**State of Colorado****Oil and Gas Conservation Commission**

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



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| DE | ET | OE | ES |
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Inspection Date:

01/04/2012

Document Number:

664000256

Overall Inspection:

Unsatisfactory**FIELD INSPECTION FORM**

| | | | | |
|---------------------|---------------|---------------|---------------|--------------------------------------|
| Location Identifier | Facility ID | Loc ID | Tracking Type | Inspector Name: <u>LEONARD, MIKE</u> |
| | <u>204653</u> | <u>320722</u> | | |

Operator Information:OGCC Operator Number: 19035 Name of Operator: OVERLAND RESOURCES LLCAddress: 1376 S PERRY PARK RDCity: SEDALIAState: COZip: 80135**Contact Information:**

| Contact Name | Phone | Email | Comment |
|------------------|----------------|--------------------------------|---------|
| YOUNG, ROB | | rob.young@state.co.us | |
| Anderson, Robert | (303) 800-6175 | admin@overlandresourcesllc.com | |

Compliance Summary:QtrQtr: SWSE Sec: 35 Twp: 4S Range: 62W

| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Unsatisfactory | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|------------------------------|----------|----------------|-----------------|
| 08/01/2008 | 200200286 | PR | PR | U | | | Y |
| 12/29/1995 | 500134660 | PR | PR | | | F | Y |
| 12/29/2011 | 664000246 | PR | PR | U | | | |
| 08/05/2008 | 200200287 | PR | PR | U | | | Y |
| 12/05/2005 | 200081279 | PR | PR | U | | F | N |
| 09/04/2007 | 200124027 | PR | PR | U | | | Y |

Inspector Comment:

Met with Robert Anderson (Overland), Rob Young (COGCC) to discuss erosional issues on pad and measures needed to repair and prevent in conjunction with development for new well addition. Overall inspection remains unsatisfactory due to issues listed in previous inspection

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | |
|-------------|------|--------|-------------|------------|-----------|----------------------|-------------------------------------|
| 204653 | WELL | PR | 01/31/2010 | GW | 005-06738 | CHAMPLIN 353 AMOCO 1 | <input checked="" type="checkbox"/> |

Equipment:Location Inventory

| | | | |
|-----------------------------|------------------------|----------------------|-------------------------|
| Special Purpose Pits: _____ | Drilling Pits: _____ | Wells: <u>1</u> | Production Pits: _____ |
| Condensate Tanks: _____ | Water Tanks: <u>1</u> | Separators: <u>1</u> | Electric Motors: _____ |
| Gas or Diesel Motors: _____ | Cavity Pumps: _____ | LACT Unit: _____ | Pump Jacks: _____ |
| Electric Generators: _____ | Gas Pipeline: _____ | Oil Pipeline: _____ | Water Pipeline: _____ |
| Gas Compressors: _____ | VOC Combustor: _____ | Oil Tanks: <u>3</u> | Dehydrator Units: _____ |
| Multi-Well Pits: _____ | Pigging Station: _____ | Flare: _____ | Fuel Tanks: _____ |

Location

Inspector Name: LEONARD, MIKE

| | |
|---|------------------------|
| Emergency Contact Number: (S/U/V) _____ | Corrective Date: _____ |
| Comment: _____ | |
| Corrective Action: _____ | |

| | | | | |
|--|------|--------|-------------------|---------|
| Spills: | | | | |
| Type | Area | Volume | Corrective action | CA Date |
| <input type="checkbox"/> Multiple Spills and Releases? | | | | |

| | | |
|-----------------|---------|--|
| Venting: | | |
| Yes/No | Comment | |
| | | |

| | | | | |
|-----------------|-----------------------------|---------|-------------------|---------|
| Flaring: | | | | |
| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| | | | | |

| | |
|-----------------------------|---|
| Predrill | |
| Location ID: 320722 | |
| Site Preparation: | |
| Lease Road Adeq.: _____ | Pads: _____ |
| Corrective Action: _____ | Soil Stockpile: _____ |
| | Date: _____ |
| | CDP Num.: _____ |
| Form 2A COAs: | |
| Wildlife BMPs: | |
| BMP Type | Comment |
| Site Specific | Fence the well site after drilling to restrict public and wildlife access. Keep well site location, the road, and the pipeline easement free of noxious weeds, litter and debris. Spray for noxious weeds, and implement dust control, as needed. Overland Resources will not permit the release or discharge of any toxic or hazardous chemicals or wastes on Owner's Land. Construct and maintain gates where any roads used by Overland Resources cross through fences on the leased premises. |
| Interim Reclamation | Utilize only such area around each producing well as is reasonably necessary. Restore the remainder of the well site location to its original condition within a reasonable time after the completion of operations. All reseeding shall be done with grasses consistent with the Rocky Mountain native mix or other grasses reasonably requested by surface owner and during planting period suggested by Owner. |
| Storm Water/Erosion Control | Use water bars, and other measures to prevent erosion and non-source pollution. Implement and maintain BMPs to control stormwater runoff in a manner that minimizes erosion, transport of sediment offsite, and site degradation. Co-locate gas and water gathering lines whenever feasible, and mitigate any erosion problems that arise due to the construction of any pipeline(s). |
| Final Reclamation | All surface restoration shall be accomplished to the satisfaction of Owner. All reseeding shall be done with grasses consistent with the Rocky Mountain native mix or other grasses reasonably requested by surface owner and during planting period suggested by Owner. Final reclamation shall be completed to the reasonable satisfaction of the Owner as soon as practical after installation (weather permitting) and in accordance with regulatory agency standards (BLM/COGCC). |
| Planning | When feasible develop multiple well sites by using directional drilling to reduce cumulative impacts and adverse impacts on wildlife resources. |

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| | |
|--------------|---|
| Construction | Remove only the minimum amount of vegetation necessary for the construction of roads and facilities. Conserve topsoil during excavation and reuse as cover on disturbed areas to facilitate regrowth of vegetation. No construction or routine maintenance activities will be performed during periods when the soil is too wet to adequately support construction equipment. |
|--------------|---|

Stormwater:

Comment: Discuss measures to be taken to repair and prevent erosion at tank and wellpad.

Staking:

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:

Well

Facility ID: 204653 API Number: 005-06738 Status: PR Insp. Status: PR

Environmental

Spills/Releases:

Type of Spill: _____ Description: _____ Estimated Spill Volume: _____
Comment: _____
Corrective Action: _____ Date: _____
Reportable: _____ GPS: Lat _____ Long _____
Proximity to Surface Water: _____ Depth to Ground Water: _____

Water Well:

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

Field Parameters:

Sample Location: _____

Emission Control Burner (ECB): _____

Comment: _____

Pilot: _____ Wildlife Protection Devices (fired vessels): _____

Reclamation - Storm Water - Pit**Interim Reclamation:**

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

Land Use: IRRIGATED

Comment: _____

1003a. Debris removed? _____ CM _____

CA _____ CA Date _____

Waste Material Onsite? _____ CM _____

CA _____ CA Date _____

Unused or unneeded equipment onsite? _____ CM _____

CA _____ CA Date _____

Pit, cellars, rat holes and other bores closed? _____ CM _____

CA _____ CA Date _____

Guy line anchors removed? _____ CM _____

CA _____ CA Date _____

Guy line anchors marked? _____ CM _____

CA _____ CA 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 _____

1003 f. Weeds Noxious weeds? _____

Comment: _____

Overall Interim Reclamation _____

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____ Date Final Reclamation Completed: _____

Final Land Use: IRRIGATED

Reminder: _____

Comment: _____

Well plugged _____ Pit mouse/rat holes, cellars backfilled _____

Debris removed _____ No disturbance /Location never built _____

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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 _____
Comment: _____
Corrective Action: _____ Date _____

Overall Final Reclamation

Storm Water:

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| | | | | | | |

S/U/V: _____ Corrective Date: _____

Comment: _____

CA: _____