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|--|--|--|--|--|----|----|----|----|
| 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 | | |  | DE | ET | OE | ES |
| | Inspection Date: <u>02/03/2012</u> | | | | | | | |

| | | | |
|------------------------------|------------------------------|-------------------------|--|
| FIELD INSPECTION FORM | | | |
| Location Identifier | Facility ID <u>210726</u> | Loc ID <u>322530</u> | Tracking Type _____ Inspector Name: <u>LONGWORTH, MIKE</u> |

| |
|--|
| Document Number: <u>663800121</u> |
| Overall Inspection: <div style="border: 1px solid red; padding: 2px; display: inline-block;"> Unsatisfactory </div> |

Operator Information:

OGCC Operator Number: 10318 Name of Operator: VAQUERO ENERGY INC

Address: 5060 CALIFORNIA AVE STE 640

City: BAKERSFIELD State: CA Zip: 93309

Contact Information:

| Contact Name | Phone | Email | Comment |
|-----------------|-------|----------------------------------|---------|
| Coutts, Brandon | | brandon.coutts@vaqueroenergy.com | |
| ANDREWS, DAVID | | david.andrews@state.co.us | |

Compliance Summary:

QtrQtr: SWNW Sec: 14 Twp: 6S Range: 94W

| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Unsatisfactory | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|------------------------------|----------|----------------|-----------------|
| 05/16/2000 | 200007593 | ID | TA | S | | P | N |

Inspector Comment:

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | |
|-------------|----------|--------|-------------|------------|-----------|---------------------------------|-------------------------------------|
| 210726 | WELL | PR | 12/07/2011 | GW | 045-06484 | WF CLOUGH FEDERAL 14-12-6S-94W | <input checked="" type="checkbox"/> |
| 322530 | LOCATION | AC | 04/14/2009 | | - | WF CLOUGH FEDERAL-66S94W 14SWNW | <input type="checkbox"/> |

Equipment: Location Inventory

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

Location

Lease Road:

| Type | Satisfactory/Unsatisfactory | comment | Corrective Action | Date |
|--------|-----------------------------|---------|-------------------|------|
| Access | Satisfactory | | | |

| Signs/Marker: | | | | |
|----------------------|-----------------------------|-------------------------------------|---|------------|
| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| WELLHEAD | Satisfactory | | | |
| CONTAINERS | Unsatisfactory | 55 gallon drum buried by gas lines. | Install sign to comply with rule 210.b. | 02/17/2012 |

Emergency Contact Number: (S/U/V) Satisfactory Corrective Date: _____

Comment: 1-888-538-9262

Corrective Action: _____

| Good Housekeeping: | | | | |
|---------------------------|-----------------------------|-------------------------|-----------------------|------------|
| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| WEEDS | Unsatisfactory | weeds covering location | Cut and control weeds | 03/26/2012 |

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

| Equipment: | | | | | |
|--------------------|---|-----------------------------|---------|-------------------|---------|
| Type | # | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| Gathering Line | | Satisfactory | | | |
| Deadman # & Marked | 2 | Satisfactory | | | |

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

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

Predrill

Location ID: 322530

Site Preparation:

Lease Road Adeq.: _____ Pads: _____ Soil Stockpile: _____
Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:

Wildlife BMPs:

Stormwater:

Comment:

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: 210726 API Number: 045-06484 Status: PR Insp. Status: PR

BradenHead

Comment: Braden is tied into production

CA: _____

CA Date: _____

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:

Comment:

- 1003a. Debris removed? CM
CA
Waste Material Onsite? CM
CA
Unused or unneeded equipment onsite? CM
CA
Pit, cellars, rat holes and other bores closed? CM
CA
Guy line anchors removed? CM
CA
Guy line anchors marked? CM
CA

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

1003 f. Weeds Noxious weeds?

Comment:

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 _____

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: _____