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|--|---|--|----|----|----|----|
| FORM INSP Rev 05/11 | State of Colorado Oil and Gas Conservation Commission <small>1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109</small> |  | DE | ET | OE | ES |
|--|---|--|----|----|----|----|

FIELD INSPECTION FORM

| | | | | |
|---------------------|---------------|---------------|---------------|-------------------------------------|
| Location Identifier | Facility ID | Loc ID | Tracking Type | Inspector Name: <u>HICKEY, MIKE</u> |
| | <u>423383</u> | <u>423389</u> | | |

Inspection Date: 05/14/2012

Document Number: 667600310

Overall Inspection: Satisfactory

Operator Information:

OGCC Operator Number: 47120 Name of Operator: KERR-MCGEE OIL & GAS ONSHORE LP

Address: P O BOX 173779

City: DENVER State: CO Zip: 80217-

Contact Information:

| Contact Name | Phone | Email | Comment |
|------------------|--------|------------------------------|---------------------------|
| Kilcrease, Keith | /24135 | keith.kilcrease@anadarko.com | Production Superintendent |

Compliance Summary:

QtrQtr: SWSW Sec: 7 Twp: 2N Range: 65W

Inspector Comment:

New well inspection of API #05-123-33570, Gurrero #13-7.

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | |
|-------------|------|--------|-------------|------------|-----------|---------------|-------------------------------------|
| 423380 | WELL | PR | 03/01/2012 | | 123-33568 | GUERRERO 33-7 | <input checked="" type="checkbox"/> |
| 423382 | WELL | PR | 01/13/2012 | | 123-33569 | GUERRERO 14-7 | <input checked="" type="checkbox"/> |
| 423383 | WELL | PR | 01/13/2012 | | 123-33570 | GUERRERO 13-7 | <input checked="" type="checkbox"/> |
| 423384 | WELL | PR | 01/13/2012 | | 123-33571 | GUERRERO 35-7 | <input checked="" type="checkbox"/> |
| 423385 | WELL | PR | 03/01/2012 | | 123-33572 | GUERRERO 23-7 | <input checked="" type="checkbox"/> |

Equipment: Location Inventory

| | | | |
|-----------------------------|-------------------------|----------------------|-------------------------|
| Special Purpose Pits: _____ | Drilling Pits: _____ | Wells: <u>5</u> | Production Pits: _____ |
| Condensate Tanks: _____ | Water Tanks: <u>1</u> | Separators: <u>5</u> | Electric Motors: _____ |
| Gas or Diesel Motors: _____ | Cavity Pumps: _____ | LACT Unit: _____ | Pump Jacks: _____ |
| Electric Generators: _____ | Gas Pipeline: <u>1</u> | Oil Pipeline: _____ | Water Pipeline: _____ |
| Gas Compressors: _____ | VOC Combustor: <u>1</u> | Oil Tanks: <u>5</u> | Dehydrator Units: _____ |
| Multi-Well Pits: _____ | Pigging Station: _____ | Flare: <u>1</u> | Fuel Tanks: _____ |

Location

Signs/Marker:

| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
|----------|-----------------------------|---------|-------------------|---------|
| BATTERY | Satisfactory | X5 | | |
| WELLHEAD | Satisfactory | X5 | | |

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

Comment: _____

Corrective Action: _____

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

| Fencing/: | | | | |
|------------------|-----------------------------|---------|-------------------|---------|
| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| WELLHEAD | Satisfactory | X5 | | |
| SEPARATOR | Satisfactory | | | |
| TANK BATTERY | Satisfactory | | | |

| Equipment: | | | | | |
|-----------------------------|---|-----------------------------|---------|-------------------|---------|
| Type | # | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| Emission Control Device | 1 | Satisfactory | | | |
| Compressor | 1 | Satisfactory | | | |
| Plunger Lift | 5 | Satisfactory | | | |
| Horizontal Heated Separator | 2 | Satisfactory | | | |
| Bird Protectors | 3 | Satisfactory | | | |

| Facilities: | | | | | |
|-----------------------------------|--------------|----------------|------|------------------|-------|
| <input type="checkbox"/> New Tank | | Tank ID: _____ | | | |
| Contents | # | Capacity | Type | SE GPS | |
| PRODUCED WATER | 1 | OTHER | | | |
| S/U/V: | Satisfactory | Comment: _____ | | | |
| Corrective Action: | _____ | | | Corrective Date: | _____ |

Paint

Condition _____

Other (Content) _____

Other (Capacity) 210 Bbl. _____

Other (Type) _____

| Berms | | | | | |
|-------------------|----------|---------------------|---------------------|-----------------|-------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance | |
| | | | | | |
| Corrective Action | _____ | | | Corrective Date | _____ |
| Comment | _____ | | | | |

| | | | | | |
|--------------------|-----------------------------|-----------------------------------|---------------------|----------------------|--|
| Facilities: | | <input type="checkbox"/> New Tank | Tank ID: _____ | | |
| Contents | # | Capacity | Type | SE GPS | |
| CRUDE OIL | 4 | 300 BBLS | STEEL AST | 40.147520,104.715330 | |
| S/U/V: | Satisfactory | Comment: | | | |
| Corrective Action: | | | | Corrective Date: | |
| Paint | | | | | |
| Condition | Adequate | | | | |
| Other (Content) | _____ | | | | |
| Other (Capacity) | _____ | | | | |
| Other (Type) | _____ | | | | |
| Berms | | | | | |
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance | |
| Metal | Adequate | Walls Sufficient | Base Sufficient | Adequate | |
| Corrective Action | | | | Corrective Date | |
| Comment | | | | | |
| Venting: | | | | | |
| Yes/No | Comment | | | | |
| | | | | | |
| Flaring: | | | | | |
| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date | |
| | | | | | |

Predrill

Location ID: 423389

Site Preparation:

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

Form 2A COAs:

Comment: _____

CA: _____ **Date:** _____

Wildlife BMPs:

| BMP Type | Comment |
|---------------|---|
| Site Specific | The five well pad is 260 feet from a home and a hundred or so more feet from other homes. The 804 rules must be adhered to involving dust, odors, lighting and sound abatement. |

Comment: _____

CA: _____ **Date:** _____

Stormwater:

| Erosion BMPs | Present | Other BMPs | Present |
|--------------|---------|------------|---------|
| | | | |

Corrective Action: _____ Date: _____

Comments: Erosion BMPs: _____
 Other BMPs: _____

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:

Facility

Facility ID: 423380 API Number: 123-33568 Status: PR Insp. Status: PR

Facility ID: 423382 API Number: 123-33569 Status: PR Insp. Status: PR

| | | | |
|----------------------------|------------------------------|-------------------|-------------------------|
| Facility ID: <u>423383</u> | API Number: <u>123-33570</u> | Status: <u>PR</u> | Insp. Status: <u>PR</u> |
| Facility ID: <u>423384</u> | API Number: <u>123-33571</u> | Status: <u>PR</u> | Insp. Status: <u>PR</u> |
| Facility ID: <u>423385</u> | API Number: <u>123-33572</u> | Status: <u>PR</u> | Insp. Status: <u>PR</u> |

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: RANGELAND
 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 _____

Inspector Name: HICKEY, MIKE

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: 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 _____

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: _____