

|  |  |  |  |  |                                       |    |    |    |
|--|--|--|--|--|---------------------------------------|----|----|----|
| <b>FORM<br/>INSP</b><br><br>Rev<br>05/11   | <b>State of Colorado</b>                   |  |  |  | DE                                    | ET | OE | ES |
|  | <b>Oil and Gas Conservation Commission</b> |  |  |  | Inspection Date:<br><u>09/06/2012</u> |    |    |    |
| 1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109 |  |  |  |  |                                       |    |    |    |

**FIELD INSPECTION FORM**

|                     |               |               |               |   |
|---------------------|---------------|---------------|---------------|---|
| Location Identifier | Facility ID   | Loc ID        | Tracking Type | Inspector Name: <u>LABOWSKIE, STEVE</u> |
|                     | <u>261666</u> | <u>326663</u> |               |   |

Document Number: 669400106

Overall Inspection: Satisfactory

**Operator Information:**

OGCC Operator Number: 10000 Name of Operator: BP AMERICA PRODUCTION COMPANY

Address: 501 WESTLAKE PARK BLVD

City: HOUSTON State: TX Zip: 77079

**Contact Information:**

| Contact Name | Phone                             | Email               | Comment                         |
|--------------|-----------------------------------|---------------------|---------------------------------|
| Kerr, Kyle   | (970) 382-3690/<br>(970) 317-0623 | kyle.kerr@bp.com    | Environmental Advisor           |
| Fauth, Dan   | (970) 749-4238                    | daniel.fauth@bp.com | Environmental Advisor (Durango) |
| Best, Julie  | (970) 375-7540/<br>(970) 394-0131 | julie.best@bp.com   | Environmental Advisor           |

**Compliance Summary:**

QtrQtr: NWSE Sec: 10 Twp: 34N Range: 7W

| Insp. Date | Doc Num   | Insp. Type | Insp Status | Satisfactory /Unsatisfactory | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|------------------------------|----------|----------------|-----------------|
| 09/17/2008 | 200195506 | PR         | PR          | S                            |          |                | N               |
| 06/06/2006 | 200098801 | PR         | PR          | S                            |          | P              | N               |
| 09/22/2004 | 200065459 | PR         | PR          | S                            |          | P              | N               |

**Inspector Comment:**

Inspected on 9/6 and again on 9/18/12 with Mike Leonard for his opinion about irrigation seepage and land owner storage issues

**Related Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num   | Facility Name         |                                     |
|-------------|------|--------|-------------|------------|-----------|-----------------------|-------------------------------------|
| 261666      | WELL | PR     | 12/02/2002  | GW         | 067-08655 | MARTIN,JOE GAS UNIT 2 | <input checked="" 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**

**Signs/Marker:**

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

|                      |              |  |  |  |
|----------------------|--------------|--|--|--|
| TANK LABELS/PLACARDS | Satisfactory |  |  |  |
|----------------------|--------------|--|--|--|

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

Comment: \_\_\_\_\_

Corrective Action: \_\_\_\_\_

| <b>Good Housekeeping:</b> |                             |  |   |            |
|---------------------------|-----------------------------|--|---|------------|
| Type                      | Satisfactory/Unsatisfactory | Comment  | Corrective Action   | CA Date    |
| OTHER                     | Unsatisfactory              | land owner storing logs, telephone poles, tires and trash on location. | keep location clear of debris and trash and non-production related equipment and supplies Rule 603.j or request variance. | 11/01/2012 |
| OTHER                     | Unsatisfactory              | land owner storing large bulk fertilizer with open tops on location    | have land owner remove or properly store fertilizer.  | 10/10/2012 |

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

| <b>Fencing/:</b> |                             |  |                   |         |
|------------------|-----------------------------|--|-------------------|---------|
| Type             | Satisfactory/Unsatisfactory | Comment                                | Corrective Action | CA Date |
| WELLHEAD         | Satisfactory                | stock panels                           |                   |         |
| OTHER            | Satisfactory                | stock panels around all othe equipment |                   |         |

| <b>Equipment:</b>           |   |                             |                        |                   |         |
|-----------------------------|---|-----------------------------|------------------------|-------------------|---------|
| Type                        | # | Satisfactory/Unsatisfactory | Comment                | Corrective Action | CA Date |
| Flow Line                   |   |                             |                        |                   |         |
| Gas Meter Run               |   |                             |                        |                   |         |
| Deadman # & Marked          | 4 |                             | NE anchor needs marker |                   |         |
| Bird Protectors             |   |                             |                        |                   |         |
| Ancillary equipment         |   |                             | telemetry              |                   |         |
| Horizontal Heated Separator |   |                             |                        |                   |         |

|                    |                             |                                   |                     |                  |  |
|--------------------|-----------------------------|-----------------------------------|---------------------|------------------|--|
| <b>Facilities:</b> |                             | <input type="checkbox"/> New Tank | Tank ID: _____      |                  |  |
| Contents           | #                           | Capacity                          | Type                | SE GPS           |  |
| PRODUCED WATER     | 1                           | OTHER                             | PBV STEEL           |                  |  |
| S/U/V:             | Satisfactory                | Comment:                          |                     |                  |  |
| Corrective Action: |                             |                                   |                     | Corrective Date: |  |
| <b>Paint</b>       |                             |                                   |                     |                  |  |
| Condition          |                             |                                   |                     |                  |  |
| Other (Content)    | _____                       |                                   |                     |                  |  |
| Other (Capacity)   | _____                       |                                   |                     |                  |  |
| Other (Type)       | _____                       |                                   |                     |                  |  |
| <b>Berms</b>       |                             |                                   |                     |                  |  |
| Type               | Capacity                    | Permeability (Wall)               | Permeability (Base) | Maintenance      |  |
| Metal              | Adequate                    | Walls Sufficient                  | Base Sufficient     | Adequate         |  |
| Corrective Action  |                             |                                   |                     | Corrective Date  |  |
| Comment            |                             |                                   |                     |                  |  |
| <b>Venting:</b>    |                             |                                   |                     |                  |  |
| Yes/No             | Comment                     |                                   |                     |                  |  |
|                    |                             |                                   |                     |                  |  |
| <b>Flaring:</b>    |                             |                                   |                     |                  |  |
| Type               | Satisfactory/Unsatisfactory | Comment                           | Corrective Action   | CA Date          |  |
|                    |                             |                                   |                     |                  |  |

**Predrill**

Location ID: 326663

**Site Preparation:**

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

**Form 2A COAs:**

**Comment:** \_\_\_\_\_

**CA:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Wildlife BMPs:**

**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: 261666 Type: WELL API Number: 067-08655 Status: PR Insp. Status: PR

**Producing Well**

Comment: \_\_\_\_\_

**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:** \_\_\_\_\_ Lat \_\_\_\_\_ Long \_\_\_\_\_  
 DWR Receipt Num: \_\_\_\_\_ Owner Name: \_\_\_\_\_ GPS : \_\_\_\_\_

**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: land owner storage of logs, telephone poles, fertilizer, agricultural trash and tires on this location. Fertilizer is a stormwater issue. Other items are a reclamation issue. A variance could be requested for interim reclamation requirements.

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

1003b. Area no longer in use?   In   Production areas stabilized?   Pass  

1003c. Compacted areas have been cross ripped?   Pass  

1003d. Drilling pit closed?   Pass   Subsidence over on drill pit?   Pass  

Cuttings management: \_\_\_\_\_

1003e. Areas no longer needed for drilling or subsequent operations for have been re-vegetated to 80% of pre-existing?   In  

Production areas have been stabilized?   Pass   Segregated soils have been replaced?   Pass  

RESTORATION AND REVEGETATION

Cropland

Top soil replaced Pass Recontoured Pass Perennial forage re-established In

Non-Cropland

Top soil replaced \_\_\_\_\_ Recontoured \_\_\_\_\_ 80% Revegetation \_\_\_\_\_

1003 f. Weeds Noxious weeds? P

Comment: \_\_\_\_\_

Overall Interim Reclamation In Process

**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  Multi-Well Location

**Storm Water:**

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment                          |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|----------------------------------|
| Gravel           | Pass            |                         |                       | SI            | Fail                     |                                  |
| Compaction       | Pass            |                         |                       |               |                          |                                  |
| Berms            | Pass            |                         |                       |               |                          | irrigation water seeping through |

S/U/V: Unsatisfactory Corrective Date: 10/25/2012

Comment: irrigation water flowing through ditch, across location, through location berm and back out into other ditch. Not actually eroding location at time of insection, location still stable. Land owner open bulk bags of fertilizer are a liability for all parties.

CA: remove or contain fertilizer in corner of location. Examine irrigation seepage issues.

**COGCC Comments**

| Comment  | User     | Date       |
|--|----------|------------|
| landowner needs to remove open bulk fertilizer bags on edge of location. | labowsks | 09/25/2012 |