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

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|--|
| Inspection Date: <u>11/20/2012</u> |
| Document Number: <u>663800595</u> |
| Overall Inspection: <u>Satisfactory</u> |

| | | | | |
|---------------------|------------------------------|-------------------------|---------------|--|
| Location Identifier | Facility ID <u>278164</u> | Loc ID <u>324313</u> | Tracking Type | Inspector Name: <u>LONGWORTH, MIKE</u> |
|---------------------|------------------------------|-------------------------|---------------|--|

Operator Information:

OGCC Operator Number: 69175 Name of Operator: PDC ENERGY INC

Address: 1775 SHERMAN STREET - STE 3000

City: DENVER State: CO Zip: 80203

Contact Information:

| Contact Name | Phone | Email | Comment |
|--------------|--------------|-------------------|---------------------------------|
| Ed, Winters | 970-285-9606 | EWinters@petd.com | Environmental Field Coordinator |

Compliance Summary:

QtrQtr: NESE Sec: 1 Twp: 7S Range: 97W

Inspector Comment:

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | |
|-------------|------|--------|-------------|------------|-----------|---------------|-------------------------------------|
| 278164 | WELL | PR | 12/28/2005 | GW | 045-10843 | PUCKETT 275-1 | <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

Lease Road:

| Type | Satisfactory/Unsatisfactory | comment | Corrective Action | Date |
|--------|-----------------------------|------------------------------|-------------------|------|
| Access | Satisfactory | Wet and muddy from snow melt | | |

Signs/Marker:

| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
|----------------------|-----------------------------|--|---|------------|
| BATTERY | Satisfactory | | | |
| WELLHEAD | Satisfactory | | | |
| TANK LABELS/PLACARDS | Unsatisfactory | No operator name or number on tanks. 200 bbl tank has no NFPA placards | Install sign to comply with rule 210.d. | 12/14/2012 |

Inspector Name: LONGWORTH, MIKE

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

Comment: _____

Corrective Action: _____

| Good Housekeeping: | | | | |
|---------------------------|-----------------------------|---------|-------------------|---------|
| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| TRASH | Satisfactory | | | |

Spills:

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

Fencing/:

| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
|--------------|-----------------------------|--------------------|-------------------|---------|
| TANK BATTERY | Satisfactory | 4 strand barb wire | | |
| WELLHEAD | Satisfactory | | | |
| SEPARATOR | Satisfactory | 4 strand barb wire | | |

Equipment:

| Type | # | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
|-----------------------------|---|-----------------------------|---------|-------------------|---------|
| Horizontal Heated Separator | 1 | Satisfactory | | | |
| Plunger Lift | 1 | Satisfactory | | | |
| Bird Protectors | 1 | Satisfactory | | | |

Facilities: New Tank Tank ID: _____

| Contents | # | Capacity | Type | SE GPS |
|----------------|---|----------|-----------|--------|
| PRODUCED WATER | 1 | 200 BBLs | STEEL AST | , |

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 |
|------|----------|---------------------|---------------------|-------------|
| | | | | |

Corrective Action _____ Corrective Date _____

Comment _____

| | | | | | |
|--------------------|-----------------------------|-----------------------------------|---------------------|----------------------|--|
| Facilities: | | <input type="checkbox"/> New Tank | Tank ID: _____ | | |
| Contents | # | Capacity | Type | SE GPS | |
| CONDENSATE | 1 | 300 BBLS | STEEL AST | 39.473660,108.163300 | |
| 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: 324313

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: 278164 Type: WELL API Number: 045-10843 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: _____

- 1003a. Debris removed? Pass 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? Pass CM _____
 CA _____ CA Date _____
- Guy line anchors marked? _____ CM _____
 CA _____ CA Date _____

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

1003c. Compacted areas have been cross ripped? _____

1003d. Drilling pit closed? Pass _____ 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

Inspector Name: LONGWORTH, MIKE

Top soil replaced _____ Recontoured _____ Perennial forage re-established _____

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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Berms | Pass | Berms | Pass | | | |
| Ditches | Pass | Culverts | Pass | | | |
| Compaction | Pass | Compaction | Pass | | | |
| | | Gravel | Pass | | | |
| Seeding | | Retention Ponds | Pass | | | |
| Gravel | Pass | Ditches | Pass | | | |

S/U/V: Satisfactory _____ Corrective Date: _____

Comment: _____

CA: _____