

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

Inspection Date: 12/18/2012

Document Number: 668200376

Overall Inspection: Satisfactory

**FIELD INSPECTION FORM**

|                     |               |               |               |                                      |
|---------------------|---------------|---------------|---------------|--------------------------------------|
| Location Identifier | Facility ID   | Loc ID        | Tracking Type | Inspector Name: <u>LEONARD, MIKE</u> |
|                     | <u>295602</u> | <u>309622</u> |               |                                      |

**Operator Information:**

OGCC Operator Number: 10221 Name of Operator: RUNNING FOXES PETROLEUM INC

Address: 6855 S. HAVANA ST #400

City: CENTENNIAL State: CO Zip: 80112

**Contact Information:**

| Contact Name       | Phone          | Email                        | Comment        |
|--------------------|----------------|------------------------------|----------------|
| Benavides, Rolando | (303) 617-7242 | r.benavides@runningfoxes.com | VP Engineering |
| Keppel, Kent       | (720) 889-0510 | kkeppel@atoka.com            | COUA           |

**Compliance Summary:**

QtrQtr: NWSE Sec: 26 Twp: 12s Range: 56w

**Inspector Comment:**

**Related Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num   | Facility Name   |
|-------------|------|--------|-------------|------------|-----------|---|
| 295602      | WELL | AL     | 03/21/2012  | LO         | 073-06323 | JOLLY RANCH 10-26 <input checked="" type="checkbox"/> |

**Equipment:**

Location Inventory

|                              |                         |                      |                           |
|------------------------------|-------------------------|----------------------|---------------------------|
| Special Purpose Pits: _____  | Drilling Pits: <u>1</u> | Wells: <u>1</u>      | Production Pits: _____    |
| Condensate Tanks: _____      | Water Tanks: <u>2</u>   | Separators: <u>1</u> | Electric Motors: <u>1</u> |
| Gas or Diesel Mortors: _____ | Cavity Pumps: _____     | LACT Unit: _____     | Pump Jacks: <u>1</u>      |
| 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**

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? |      |        |                   |         |

|                 |         |
|-----------------|---------|
| <b>Venting:</b> |         |
| Yes/No          | Comment |
|                 |         |

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

**Predrill**

Location ID: 309622

**Site Preparation:**

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

**Form 2A COAs:**

**Comment:**

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

**Wildlife BMPs:**

| BMP Type      | Comment   |
|---------------|---|
| PROPOSED BMPs | <p>RUNNING FOXES PETROLEUM INC.</p> <p>STORMWATER MANAGEMENT PRACTICES</p> <p>Reference COGCC Final Rule Amendment (December 17, 2008)</p> <p>1002. SITE PREPARATION; I. Stormwater Management A. thru F.</p> <p>RUNNING FOXES PETROLEUM, INC. (RFP) will implement the following procedures and practices to remove /reduce the possibility of discharged materials that may pollute water runoff from their field facilities, operations and well site locations. These procedures and practices, will minimize the potential of any discharge or spill that could potentially pollute surface water and any stormwater runoff.</p> <p>A. Covering materials and activities:</p> <p>RFP will cover with tarps all containers /items that have the potential for material leakage. These items, whenever possible, will be kept in a central location within the operational area.</p> <p>B. Material handling and spill prevention: RFP will use secondary containment methods, tarps, splash pans, or appropriate prevention items when transferring, pouring, or handling items that have the potential for spills. If items are on location for a period of time they will be on pallets off the ground.</p> <p>C. Erosion controls:</p> <p>RFP maintains and constructs well pads to minimize surface grade elevations. As season and weather changes; improvements to these well pads are adjusted accordingly. Roads, culverts, stream crossings and cut /fill slopes are prepared for runoff to be controlled and directed to desired locations.</p> <p>These controls will be constructed with the cooperation of the landowner to facilitate their use of the land. Interim Reclamation on well pads is accomplished as soon as possible to minimize the effects of erosion. Topsoil will be returned and reseeding will be completed.</p> |

D Self- inspection, maintenance and good housekeeping:  
 RFP has a pumper on location almost everyday to identify these factors. Site improvement and inspection is a constant factor and monitored with the anticipation of the season and the weather. As potential contaminants are no longer needed at a set location they are removed and disposed of or stored in a more central secured monitored area. All vehicle washing is done off site.

E. Spill response procedures:  
 RFP has a first response the standard dirt and shovel work; if the procedures described in B above don't initially contain the spill. This soil is removed from any surface water condition.

F Vehicle tracking control procedures:  
 RFP attempts to design and maintain all roads to minimize any rutting. All operational and access roads are on non -paved roads with low potential of sediment contributing to stormwater contamination.

**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: 295602 Type: WELL API Number: 073-06323 Status: AL Insp. Status: AL

**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 \_\_\_\_\_

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 Pass

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: **NO EVIDENCE OF DISTURBANCE**

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

Overall Final Reclamation Pass Multi-Well Location

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