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|--|---|--|----|----|----|----|
| FORM INSP <small>Rev 05/11</small> | 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 | Inspector Name: | On-Site Inspection <input type="checkbox"/> | 2A Doc Num: |
| | 421995 | 318070 | SCHURE, KYM | | |

Inspection Date:
03/19/2013

Document Number:
664000853

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 |
|--------------|-------|-------------------------|---------|
| Avant, Paul | | Paul.avant@anadarko.com | |

Compliance Summary:

QtrQtr: NWNE Sec: 8 Twp: 2N Range: 65W

Inspector Comment:

Shared battery

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | |
|-------------|------|--------|-------------|------------|-----------|-------------------|-------------------------------------|
| 240550 | WELL | PR | 06/13/2012 | OW | 123-08338 | EVERETT NICHOLS 1 | <input checked="" type="checkbox"/> |
| 421974 | WELL | PR | 10/05/2011 | OW | 123-33119 | NICHOLS 17-8 | <input checked="" type="checkbox"/> |
| 421994 | WELL | PR | 08/25/2011 | OW | 123-33125 | NICHOLS 2-8 | <input checked="" type="checkbox"/> |
| 421995 | WELL | PR | 10/04/2011 | GW | 123-33126 | NICHOLS 21-8 | <input checked="" type="checkbox"/> |
| 422008 | WELL | PR | 10/05/2011 | OW | 123-33129 | NICHOLS 24-8 | <input checked="" type="checkbox"/> |

Equipment: Location Inventory

| | | | |
|------------------------------|-------------------------|-----------------------|-------------------------|
| Special Purpose Pits: _____ | Drilling Pits: _____ | Wells: <u>5</u> | Production Pits: _____ |
| Condensate Tanks: _____ | Water Tanks: <u>2</u> | Separators: <u>16</u> | Electric Motors: _____ |
| Gas or Diesel Mortors: _____ | Cavity Pumps: _____ | LACT Unit: _____ | Pump Jacks: _____ |
| Electric Generators: _____ | Gas Pipeline: _____ | Oil Pipeline: _____ | Water Pipeline: _____ |
| Gas Compressors: _____ | VOC Combustor: <u>1</u> | Oil Tanks: <u>16</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 | | | |
| WELLHEAD | Satisfactory | | | |
| TANK LABELS/PLACARDS | Satisfactory | | | |

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

Comment: _____
 Corrective Action: _____

| Good Housekeeping: | | | | |
|---------------------------|-----------------------------|---|-------------------------------|------------|
| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| UNUSED EQUIPMENT | Unsatisfactory | Wellhead parts laying on ground at Everett #1 | Remove unused equipment/parts | 04/30/2013 |

Spills:

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

Fencing/:

| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
|--------------------|-----------------------------|---------------|-------------------|---------|
| IGNITOR/COMBUST OR | Satisfactory | | | |
| OTHER | Satisfactory | Gas meter run | | |
| WELLHEAD | Satisfactory | Steel panels | | |

Equipment:

| Type | # | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
|-----------------------------|---|-----------------------------|---------|-------------------|---------|
| Flare | 1 | Satisfactory | | | |
| Bird Protectors | 7 | Satisfactory | | | |
| Emission Control Device | 1 | Satisfactory | | | |
| Horizontal Heated Separator | 6 | Satisfactory | | | |
| Plunger Lift | 5 | Satisfactory | | | |

Facilities: New Tank Tank ID: _____

| Contents | # | Capacity | Type | SE GPS |
|----------------|---|----------|----------------|--------|
| PRODUCED WATER | 1 | 200 BBLS | PBV FIBERGLASS | , |

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 _____

| | | | | | |
|--------------------|-----------------------------|-----------------------------------|---------------------|----------------------|--|
| Facilities: | | <input type="checkbox"/> New Tank | Tank ID: _____ | | |
| Contents | # | Capacity | Type | SE GPS | |
| CRUDE OIL | 7 | 300 BBLS | STEEL AST | 40.000000,104.000000 | |
| S/U/V: | Comment: | | | | |
| Corrective Action: | | | | Corrective Date: | |
| Paint | | | | | |
| Condition | | | | | |
| Other (Content) | _____ | | | | |
| Other (Capacity) | _____ | | | | |
| Other (Type) | _____ | | | | |
| Berms | | | | | |
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance | |
| | | | | | |
| Corrective Action | | | | Corrective Date | |
| Comment | | | | | |
| Venting: | | | | | |
| Yes/No | Comment | | | | |
| | | | | | |
| Flaring: | | | | | |
| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date | |
| Ignitor/Combustor | Satisfactory | | | | |

Predrill

Location ID: 318070

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: 240550 Type: WELL API Number: 123-08338 Status: PR Insp. Status: SI

Producing Well

Comment: _____

Facility ID: 421974 Type: WELL API Number: 123-33119 Status: PR Insp. Status: PR

Facility ID: 421994 Type: WELL API Number: 123-33125 Status: PR Insp. Status: PR

Facility ID: 421995 Type: WELL API Number: 123-33126 Status: PR Insp. Status: PR

Facility ID: 422008 Type: WELL API Number: 123-33129 Status: PR Insp. Status: PR

Producing Well

Comment: Plunger lift wells. Wells are tied to battery including/ Nichols 22-8, Nichols 18-8, Nichols 2-8, Nichols 24-8, Nichols 25-8, Nichols 31-8, Nichols Everett 1, Nichols 7-8A, Nichols 6-8, Nichols 1-8A, Nichols 8-8, Nichols 5-8, Nichols 4-8A, Nichols 17-8 & Nichols 21-8.

Idle Well

Purpose: Shut In Temporarily Abandoned Reminder: _____

S/V: Satisfactory CA Date: _____

CA: _____

Comment: Well is temporarily shut in, per signage on wellhead.

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: 03/19/2013

Land Use: DRY LAND

Comment: Footprint reduced

1003a. Debris removed? Pass CM _____ CA _____ CA Date _____

Waste Material Onsite? Pass CM _____ CA _____ CA Date _____

Unused or unneeded equipment onsite? In CM _____ CA _____ CA Date _____

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? _____ 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? 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? In

RESTORATION AND REVEGETATION

Cropland

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

Non-Cropland

Top soil replaced _____ Recontoured _____ 80% Revegetation _____

1003 f. Weeds Noxious weeds? I

Comment:

Overall Interim Reclamation Pass

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____ Date Final Reclamation Completed: _____

Final Land Use: IRRIGATED _____

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 | | Paving | Pass | | | |

Inspector Name: SCHURE, KYM

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

Comment: No surface erosion from O&G operations observed.

CA: _____