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

Inspection Date: 05/14/2013

Document Number: 668300155

Overall Inspection: Satisfactory

FIELD INSPECTION FORM

| | | | | | |
|---------------------|---------------|---------------|-------------------------|---|-------------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection <input type="checkbox"/> | 2A Doc Num: _____ |
| | <u>201669</u> | <u>319870</u> | <u>JOHNSON, RANDELL</u> | | |

Operator Information:

OGCC Operator Number: 10110 Name of Operator: GREAT WESTERN OIL & GAS COMPANY LLC

Address: 1700 BROADWAY SUITE 650

City: DENVER State: CO Zip: 80290

Contact Information:

| Contact Name | Phone | Email | Comment |
|-------------------|-----------------------------------|----------------------|---------|
| Hartnett, Shannon | | shartnett@gwogco.com | |
| Musgrave, Tim | 720-768-6097 | tmusgrave@gwogco.com | |
| Donato, Scot | O:303-398-0537, C:303-549-7739 | sdonato@gwogco.com | |

Compliance Summary:

Qtr/Qt: SWSW Sec: 10 Twp: 1S Range: 65W

| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Unsatisfactory | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|------------------------------|----------|----------------|-----------------|
| 03/04/2008 | 200128083 | PR | PR | U | | | Y |
| 06/13/1997 | 500131779 | PR | SI | | | F | Y |

Inspector Comment:

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | |
|-------------|------|--------|-------------|------------|-----------|----------------|-------------------------------------|
| 201669 | WELL | PR | 03/31/2008 | OW | 001-07072 | KALLSEN 14-10X | <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 |
|----------------------|-----------------------------|---|---|-------------------|
| TANK LABELS/PLACARDS | Unsatisfactory | Produced water tank does not have the required NFPA label | Install sign to comply with rule 210.d. | 06/14/2013 |

| | | | | |
|----------|----------------|---|---|------------|
| BATTERY | Satisfactory | | | |
| OTHER | Satisfactory | Separator has NFPA label | | |
| WELLHEAD | Unsatisfactory | Conflicting operator names on wellhead sign | Remove old HRM Resources sign at wellhead | 06/14/2013 |

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

Comment: _____

Corrective Action: _____

Good Housekeeping:

| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
|-------|-----------------------------|--|-------------------|------------|
| TRASH | Unsatisfactory | Trash on the ground north of combustor | Remove trash | 06/14/2013 |

Spills:

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

Fencing/:

| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
|--------------|-----------------------------|----------------------|-------------------|---------|
| TANK BATTERY | Satisfactory | Chain-link fencing | | |
| SEPARATOR | Satisfactory | Chain-link fencing | | |
| WELLHEAD | Satisfactory | Pipe and rod fencing | | |

Equipment:

| Type | # | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
|-----------------------------|---|-----------------------------|---|-------------------|---------|
| Bird Protectors | 2 | Satisfactory | | | |
| Emission Control Device | 1 | Satisfactory | SE corner 39.97271, -104.65452 | | |
| Horizontal Heated Separator | 1 | Satisfactory | SE corner of fence and berm around separator 39.97252, -104.65455 | | |
| Plunger Lift | 1 | Satisfactory | SE corner of fence around wellhead 39.97582, -104.65475 | | |
| Gas Meter Run | 1 | Satisfactory | SE corner 39.97245, -104.65462 | | |

| | | | | | |
|--------------------|----------|-----------------------------------|--|-----------------------|--|
| Facilities: | | <input type="checkbox"/> New Tank | Tank ID: _____ | | |
| Contents | # | Capacity | Type | SE GPS | |
| PRODUCED WATER | 1 | OTHER | PBV FIBERGLASS | 39.972470,-104.654280 | |
| S/U/V: | Comment: | | 150 bbls - Located inside same berm as crude oil tanks | | |
| Corrective Action: | | | | Corrective Date: | |
| <u>Paint</u> | | | | | |
| Condition | Adequate | | | | |
| Other (Content) | _____ | | | | |
| Other (Capacity) | _____ | | | | |
| Other (Type) | _____ | | | | |
| <u>Berms</u> | | | | | |
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance | |
| Earth | 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 | 2 | 300 BBLS | STEEL AST | 39.972470,-104.654280 | |
| S/U/V: | Satisfactory | | Comment: | | |
| Corrective Action: | | | | Corrective Date: | |
| <u>Paint</u> | | | | | |
| Condition | Adequate | | | | |
| Other (Content) | _____ | | | | |
| Other (Capacity) | _____ | | | | |
| Other (Type) | _____ | | | | |
| <u>Berms</u> | | | | | |
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance | |
| Earth | Adequate | Walls Sufficient | Base Sufficient | Adequate | |
| Corrective Action | | | | Corrective Date | |
| Comment | | | | | |

| | | |
|-----------------|---------|--|
| Venting: | | |
| Yes/No | Comment | |
| NO | | |

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

Predrill

Location ID: 319870

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: 201669 Type: WELL API Number: 001-07072 Status: PR Insp. Status: SI

Idle Well

Purpose: Shut In Temporarily Abandoned Reminder: _____
S/V: _____ CA Date: _____
CA: _____
Comment: Producing intermittently

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: _____
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? Fail CM _____ CA Remove deadmen CA Date 06/14/2013
Guy line anchors marked? Fail CM _____ CA Mark all deadmen until removed CA Date 06/14/2013
1003b. Area no longer in use? Pass 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? _____
 Production areas have been stabilized? Pass 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? P

Comment: _____

Overall Interim Reclamation Pass

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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|------------|
| Compaction | Pass | Compaction | Pass | | | |
| Gravel | Pass | Gravel | Pass | | | |
| Other | Pass | Other | Pass | | | Vegetation |

S/U/V: Satisfactory Corrective Date: _____

Comment: _____

CA: _____