

**GRAND
MESA**

OPERATING COMPANY

(316) 265-3000
FAX: (316) 265-3455

1700 N. WATERFRONT PARKWAY
BLDG. 600
WICHITA, KANSAS 67206-5514

April 18, 2013

Mr. Kym Schure, M.S.
COGCC
12826 County Road 37
Sterling, CO 80751

Mr. John Axelson
COGCC
1120 Lincoln Street, Ste 801
Denver, CO 80203-2136

Re: Hunt Lease, Washington County, Colorado, Reclamation

Dear Sirs:

Pursuant to telephone conversations and emails with both of you, Grand Mesa Operating Company sets forth the following plan for reclamation of the Hunt Lease in Washington County, Colorado.

Grand Mesa has secured the services of Mountain Man Welding and Fabrication to perform the reclamation at the tank battery site on the Hunt Lease as well as reclaiming the one road that the landowner has asked GMOC to seed with native grass. The services to be performed by Mountain Man are outlined in the attached quote from them and meet the requests of the landowner, Lee O'Neil. Please review this quote and let me know if you have any questions or concerns about the work that will be performed.

Grand Mesa has also secured the services of A. G. Wassenaar, Inc., Geotechnical and Environmental Consultants, to perform all of the testing and reports to meet COGCC rules during this reclamation. I would ask that you review the plan from Wassenaar to be sure that we are in line with the COGCC rules as to testing, etc. If there are areas that need more or less testing, please advise.

Hunt Lease Reclamation
April 18, 2013
Page Two

Grand Mesa has entered into a Surface Use Agreement with the landowner on these lands, Lee O'Neil, and the agreement with Exhibit "A" is attached hereto. Mr. O'Neil is adamant that he doesn't want any permanent lease roads and wants us to stay along the fences as much as possible and use what paths might be currently available to access the wellsites. If there is no current path, he wants us to drive through the field/pasture/cropland for access. Mr. O'Neil has no mineral interest in these wells and understands that we need access to our wells but feels that he has a right to designate the ingress/egress. We also discussed with Mr. O'Neil the lease road that had been crossing a gully and he stated that there is no way to ever use this road as a lease road on a permanent basis since the area washes out when it rains. He has asked us to smooth out this area, build up as necessary and re-seed so that this area can be reclaimed and erosion thwarted.

We are attaching the signed Form 27 which is our preliminary report on work to be accomplished on the Hunt Lease. We understand that once the Form 27 is received, we will be assigned a project number and we will begin to receive regular reports/updates as this reclamation proceeds. Do we need to send the original Form 27 to the COGCC and if so to whom and at what address? It is our understanding that we will make regular submissions of the Form 4, Sundry Notice, as items of violation are brought to compliance.

Signs for all tanks, etc., on the Hunt Lease have been ordered and we expect to receive same in a few weeks. They will be shipped direct to our pumper and he has instructions to install them upon receipt.

You will also find attached hereto the two approved Applications for Permit to use Earthen Pit that were requested on the Field Inspection Form.

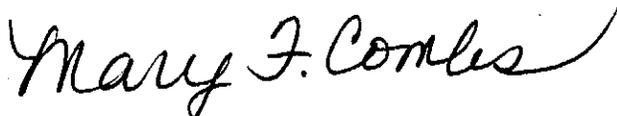
I am sending this via email to you both. If hard copies of this information need to be submitted (along with Form 27) please let me know to whom and at what address you would like the information sent. Mr. Schure and I had agreed that I would have

Hunt Lease Reclamation
April 18, 2013
Page Three

this detailed information to him today and this letter will accomplish that agreement. Please review all of the enclosures and if you have any questions or concerns please give me a call. Once I have the answers to my questions outlined above, we will proceed with hard copies as requested and the submittal of the Form 27. I want to thank you for allowing us extra time to get these matters resolved and I appreciate your assistance in this matter.

Very truly yours,

GRAND MESA OPERATING COMPANY

A handwritten signature in black ink that reads "Mary F. Combs". The signature is written in a cursive style with a long, sweeping underline that extends to the right.

Mary F. Combs
Land Manager

Enclosures
mcombs@gmocks.com



2115 West 14th Avenue • Denver, Colorado 80204
303-798-6822 office • 303-798-1284 fax

April 16, 2013

Mary F. Combs
Land Manager
Grand Mesa Operating Company
1700 N. Waterfront Parkway, Building 600
Wichita, KS 67206

Hunt Lease Clean Up *Quotation*

Mountain Man Oilfield Services, LLC (MMOFS) is pleased to provide the following quote for the above named project.

Total: \$34,963.00

SCOPE OF WORK:

Provide services for building fences, firewalls, and pipe guards. Remove old anchors, weeds, and paraffin. Install fiberglass water pit, and clean up locations around pumping units.

Inclusions:

1. Labor and transportation to the jobsite within a 2-hour radius of the MMOFS job trailer.
2. Equipment and transportation of said equipment to the jobsite within a 2-hour radius of the MMOFS job trailer. Equipment shall include 1 Backhoe, 1 Auger and 1 Trailer.
3. Welder and helper, plus supplies.
4. Per Diem
5. Reclaim 1 mile of road: Includes mobilization, construction, and seeding three acres.

Exclusions:

1. All contaminated soil will be handled on a time and materials basis, which will be determined by A.G. Wassenaar, Inc. Geotechnical and Environmental Consultants.
2. All oilfield related materials, which will be provided by Black Gold Supply, Inc. and billed directly by Black Gold Supply, Inc. to Grand Mesa. (Quoted at \$5,445.00)

TERMS & CONDITIONS:

1. **Payment:** Total amount due is 100% of invoice amount to be paid net 30 days from the date of the invoice.
2. **Changes:** MMOFS will not proceed with any change to scope of work prior to receiving written acceptance of pricing for change. No deductive changes will be accepted without our prior written acceptance and the opportunity to fix the problem.
3. **Proposal:** Shall become a part of any Master Service Agreement issued to Mountain Man Welding and Fabrication Inc. and shall govern regarding any conflicts between the construction documents and our proposal.

Thank you for the opportunity to quote this project. If you have any questions, please do not hesitate to contact me at 303-944-6799 or Mark Davis at 303-877-2258.

Sincerely,

for 
Joe Aguilar
Vice President-Construction

A.G. Wassenaar

Geotechnical and Environmental Consultants

2180 South Ivanhoe Street, Suite 5
Denver, Colorado 80222-5710

303-759-8373 Fax 303-759-4874

www.agwassenaar.com

Inc.

April 16, 2013

Grand Mesa Operating Company
1700 North Waterfront Parkway
Building 600
Wichita, Kansas 67206

Attention: Ms. Mary F. Combs

Subject: Skim Pit Closure Sampling and Related Services
Hunt Lease Tank Battery (Facility ID 237636)
Washington County, Colorado
Proposal Number EP130414

Dear Ms. Combs:

As requested, A. G. Wassenaar, Inc. (AGW) is pleased to submit the following technical and cost proposal to conduct skim pit closure soil sampling and related services at the Grand Mesa Operating Company (GMOC) Hunt Lease Tank Battery in Washington County, Colorado.

Background

The subject site is located in the Northwest 1/4 of Section 19, Township 2 South, Range 54 West. It includes four crude oil tanks, a treater/separator, a shed, a skim pit covered with steel mesh, three production water pits, and associated subsurface piping.

To help comply with Colorado Oil and Gas Conservation Commission (COGCC) requirements, AGW understands that Mountain Man Oilfield Services, LLC (MMOS) will be removing petroleum impacted soils at the skim pit, backfilling the pit, and replacing the pit with a fiberglass tank. In addition, MMOS will be removing soils covered with oil residue from around the edge of the production water pit immediately west of the skim pit. The removed soils from both locations will be placed on plastic sheeting adjacent to the tank battery to allow the soils to aerate so they can be monitored and eventually be beneficially reused at the site once they meet COGCC standards.

To document the condition of soils to be left in place following excavation at the skim pit and at the adjacent production water pit edge areas, AGW is proposing to conduct soil sampling and analytical testing. AGW is also proposing to periodically monitor and conduct confirmatory sampling of soils to be placed on the aeration pad so it can be determined when the soils meet COGCC standards.

AGW understands that other activities related to the lease roads, signage, and berm construction will be conducted by others to comply with COGCC requirements.

Skim Pit Closure Sampling and Related Services
Hunt Lease Tank Battery (Facility ID 237636)
AGW Proposal Number: EP130414
April 16, 2013
Page 2

Services AGW is proposing for this project include soil sampling at the skim pit, adjacent production water pit, and initial aeration pad field screening; preparing a site diagram to assist GMOC with planning berm construction around the treater/separator; and preparing a report that summarizes the above activities. AGW also proposes conducting limited field screening of the aeration pad soils followed by confirmatory sampling later this year and preparation of a follow-up letter regarding the condition of soils on the aeration pad. The scope of work for this proposal is based on discussions during an on-site meeting and follow-up telephone conversations.

The general tasks to be conducted by AGW for the above services include:

- Preparing a site-specific Health and Safety Plan.
- Collecting an estimated five (5) soil samples from skim pit area following excavation by MMOS.
- Collecting an estimated four (4) soil samples from the berm/edge of the adjacent production water pit.
- Laboratory analysis of the above soil samples using rush laboratory turn-around-time (approximately 5 days) so that follow-up excavation (if needed) and/or backfilling activities can be completed in a timely manner.
- Collection of initial soil samples from the aeration pad for field screening with a photoionization detector (PID).
- Measuring the site and preparing a diagram illustrating site features and equipment to assist with planning and COGCC documentation.
- Preparing a report documenting the above activities, analytical results, and AGW's conclusions and recommendations.
- Completing two (estimated) follow-up site visits to collect soil samples from the soil aeration pad for field screening with a PID meter and evaluation.
- Collection of an estimated two composite soil samples from the aerated soils during the second follow-up visit with confirmatory laboratory testing using standard turn-around-time.
- Preparing a follow-up letter report documenting the condition of the aerated soils based on the analytical results.

Based on a meeting at the site on April 12, 2013 with Mr. Mark Davis of MMOS and Mr. E. W. Thomas, GMOC's pumper, AGW assumes that excavation activities and placement of the impacted soils onto the aeration pad will be completed prior to AGW's arrival for soil sampling. AGW also understands that no ground water or pit water samples will be collected during this project.

If AGW's presence is requested during the excavation activities to help segregate impacted from non-impacted soils, or if the extent of impacted soils is greater than anticipated (i.e. beyond the berm surrounding the skim pit), and additional sampling or field visits by AGW are requested beyond the scope described in this proposal, AGW is available to be on site as needed on a time and material basis. In accordance with our recent conversation, this proposal does not include completion of COGCC forms (e.g. Form 27, Sundry Form 4, etc.) for GMOC. AGW can assist with preparation of required forms if requested on a time and materials basis.

Details of the proposed services are presented below.

1.0 Health and Safety Plan Preparation

Prior to initiating the field sampling activities, AGW will prepare a site-specific Health and Safety (H&S) Plan. The plan will describe AGW's tasks, potential hazards, and ways to mitigate those hazards. It will also describe emergency procedures, appropriate personal protection equipment to be used by AGW staff, and the location of emergency service providers.

In accordance with Colorado law, AGW understands that utility locate requests will be the responsibility of MMOS or any other company conducting excavation for this project.

2.0 Skim Pit Soil Sampling

Following completion of soil excavation, AGW will mobilize to the site to collect an estimated five (5) soil samples for analytical testing. One sample will be collected from the base of the pit, and four other samples will be collected from the walls of the excavation cavity. If access to the excavation cavity cannot be conducted safely in accordance with OSHA regulations, AGW may require the use of a backhoe operated by MMOS so that the needed soil samples can be collected from the backhoe bucket without entering the pit. Please see the attached diagram illustrating the proposed sample locations.

To allow for field evaluation and laboratory submittal, each soil sample will be placed into a plastic bag for PID field screening use, and into at least two laboratory-supplied containers for analytical testing. To help evaluate the soils, each sample will be screened with a PID to identify the potential

presence of volatile organic compounds (VOCs) that are associated with crude oil. During this project, AGW will follow chain-of-custody and sample preservation procedures in general accordance with U.S. Environmental Protection Agency (EPA) guidelines.

3.0 Adjacent Production Water Pit Soil Sampling

Following the removal of oil stained soils from the perimeter of the production water pit immediately west of the skim pit by MMOS, AGW will collect an estimated four (4) soil samples for analytical testing (one from each side). The approximate sample locations are illustrated on the attached figure.

To allow for field evaluation and laboratory submittal, each soil sample will be placed into a plastic bag for PID field screening use, and into at least two laboratory-supplied containers for analytical testing. AGW will follow chain-of-custody and sample preservation procedures in accordance with EPA guidelines.

4.0 Soil Sample Laboratory Testing

A total of nine (9) soil samples collected from the skim pit and adjacent production water pit areas will be forwarded to an independent laboratory for analytical testing. To help comply with COGCC requirements, AGW, anticipates analyzing the sample from the base of the skim pit for all analytes listed on Table 910-1 of the COGCC Rules. Analysis of the remaining eight samples from the walls of the skim pit cavity and from the four sides of the adjacent production water pit will be analyzed for Total Petroleum Hydrocarbons (TPH) and Benzene, Toluene, Ethylbenzene, and Xylenes (BTEX) using EPA Methods. In accordance with COGCC Rules, the TPH will be derived by adding the results of Gasoline Range Organics and Diesel Range Organics.

As discussed with MMOS and Mr. E. W. Thomas during the recent meeting, rush laboratory analysis turn-around-time will be requested to minimize project length, reduce overall equipment mobilization costs, and minimize safety concerns due to an open excavation. However, due to the COGCC Table 910-1 analytical procedures required to process some of the analytes for the skim pit base sample, the skim pit base laboratory results will not be available for approximately 5 working days from submittal. BTEX and TPH results can be available within approximately 2 to 3 days using rush analysis, however BTEX and TPH costs can be reduced by using a standard 5 day turn-around-time for those analytes. For the purposes of this proposal, AGW is utilizing 5 day laboratory turn-around-time for all samples. This can be modified if requested.

The scope of soil sampling and analysis for this project should be submitted to the COGCC for review and concurrence prior to field work commencing. Receiving prior COGCC approval of the

work and sampling scope is important to control project costs that might otherwise be incurred for potential additional mobilizations and sampling.

5.0 Aeration Pad Initial Soil Field Screening

Following placement of the impacted soils onto plastic sheeting on the aeration pad by MMOS, AGW will measure and mark a grid along the side boundaries of the pad. This will allow for sampling from the documented locations on the pad.

To establish a baseline for comparison, AGW will collect soil samples from each grid area for field screening with a PID. Each sample will be placed into a new resealable plastic bag, allowed to warm to approximate room temperature, agitated to loosen the soils, and then screened using a calibrated PID. The results will be recorded in a table for comparison to future results.

To facilitate soil aeration and reduce the length of time needed for treatment, AGW recommends that soils be placed onto the pad no higher than 2 feet above grade. Petroleum concentrations in the aeration pad soils are expected to decrease over time due to volatilization and natural aerobic bacterial breakdown.

6.0 Site Diagram Preparation

To help GMOC plan for berm construction around the treater/separator and submit suitable documentation to the COGCC, AGW will measure and prepare a site diagram illustrating site equipment, the water pits, and other site features. Measurements will be collected using measuring tapes and/or measuring wheels. The figure will be included in the report documenting pit soil sampling.

7.0 Pit Soil Sampling Report Preparation

AGW will prepare a report detailing the results of Tasks 1.0 through 6.0. The report will include AGW's conclusions and recommendations.

8.0 Follow-Up Aeration Pad PID Screening

At approximate two month intervals, AGW will return to the site to conduct field screening of the aeration pad soils using a PID meter. AGW will collect soil samples from each grid area for PID screening. Each sample will be placed into a new resealable plastic bag, allowed to warm to approximate room temperature, agitated to loosen the soils, and then screened using a calibrated PID. The results will be recorded in a table for comparison to previous results.

Skim Pit Closure Sampling and Related Services
Hunt Lease Tank Battery (Facility ID 237636)
AGW Proposal Number: EP130414
April 16, 2013
Page 6

For the purposes of this proposal, AGW is estimating that two visits at two month intervals will be required following construction of the pad and initial field screening. The actual rate of treatment depends on many factors including temperature, soil type, petroleum composition, soil thickness on the pad, average wind speeds, moisture, soil nutrients, and other factors. When the PID results indicate a significant reduction of contaminants, AGW will collect confirmation samples for analytical testing.

9.0 Aeration Pad Confirmatory Analytical Sampling

To quantify TPH and BTEX concentrations in the aeration pad soils, AGW will collect an estimated two composite soil samples from the pre-marked grid areas for laboratory testing. The composite samples will consist of a minimum of three discrete samples from the grid areas exhibiting the highest PID results from the previous screening round. The discrete samples will be mixed in a clean stainless steel bowl and composited in two samples for laboratory submittal. Each composite sample will be tested for TPH and BTEX following EPA Methods. The samples will be submitted to an independent laboratory using standard turn-around-time analysis. When analytical results indicate compliance with COGCC TPH and BTEX standards, soils may be beneficially reused on site if this plan is approved by the COGCC.

10.0 Soil Aeration Pad Sampling Report Preparation

AGW will prepare a report detailing the results of soil aeration described under Tasks 8.0 and 9.0. The report will include AGW's conclusions and recommendations.

11.0 Estimated Costs

The estimated cost to conduct skim pit sampling, produced water pit bank sampling, site diagram preparation, aeration pad sampling, and preparation of two reports as described under Tasks 1.0 through 10.0 is \$7,990.00. Costs will not exceed this amount without your prior authorization.

This cost includes engineering, three days of field services, equipment, mileage, laboratory testing, and expenses. It is based on our standard unit rates and estimated man-hours to complete the project. A copy of AGW's fee schedule and professional services agreement is enclosed. We will invoice for our services at the completion of the final report and anticipate payment within thirty (30) days.

If requested, costs for additional services beyond the scope described will be conducted by AGW on time and materials basis in accordance with the attached Fee Schedule. When analytical results are available, the subject reports can be completed within approximately two to three weeks.

Skim Pit Closure Sampling and Related Services
Hunt Lease Tank Battery (Facility ID 237636)
AGW Proposal Number: EP130414
April 16, 2013
Page 7

AGW recommends that the scope of work described in this document and the scope of analytical testing proposed be submitted to the COGCC for review and approval prior to commencing excavation.

If this proposal, fee schedule, and the professional services agreement meet with your approval, please sign this proposal and return it to this office. We will commence work on this project upon receipt of your notice to proceed. If you have any further questions, please do not hesitate to call.

Sincerely,

A. G. WASSENAAR, INC.



Joseph D. Gifford, CIH
Principal Project Manager

jdp/rap/JDG/

Agreed to this _____ day of _____, 2013

Signed: _____ Date _____

Title: _____



Google earth



- - PROPOSED SOIL SAMPLE LOCATIONS

NOTE: ALL LOCATIONS ARE APPROXIMATE.

A.G. Wassenaar | Inc.
Geotechnical and Environmental Consultants

GRAND MESA OPERATING CO.
HUNT LEASE TANK BATTERY
PROPOSED SAMPLE LOCATIONS
APRIL 2013
PROPOSAL EP130414

SURFACE USE AGREEMENT

THIS AGREEMENT is made and entered into this 4th day of April, 2013, by and between Lee W. O'Neil, Erin L. Cullum and Erica L. Willingham, hereinafter called Grantors, and Grand Mesa Operating Company, hereinafter called Grantee. Grantors are the owners of the surface estate of the following lands located in Washington County, Colorado, described as follows, to-wit:

Township 2 South, Range 54 West
Section 19: All

Township 2 South, Range 55 West
Section 24: All

Grantors and Grantee have discussed the following issues and agree as follows:

1. Referring to the attached Exhibit "A" attached hereto and made a part of this agreement by reference, Grantors have requested that Grantee reclaim all roads/paths marked with an "X" on the exhibit to their natural state by grading and the application of natural grass seed.

2. Again referring to the attached Exhibit "A" Grantors request that Grantee use the paths marked as numbers 1 through 7 to access the Hunt #1-19, #2-19 and #2-24 wellsites. Grantors have asked Grantee not to install any permanent lease roads but to drive through either pasture or farm ground to access the wells listed above so that Grantors can farm over the road/path used by Grantee and maintain the grassland in its natural state.

3. Grantee agrees to reclaim the low area through the gully or washout that was previously the lease road to the Hunt #2-24 wellsite so that the area can be planted with natural grass and prevent erosion and any future washout of this area.

4. Grantee agrees to install cattle guards at the locations marked on Exhibit "A" with a "=" so that both parties can have access to the Grantors' lands when there are cattle present and the gates to the fields are closed. All fences are in acceptable repaired condition at this time and Grantee agrees to keep all cattle guards and fences in acceptable condition pursuant to Grantors' wishes.

The provisions of this Surface Use Agreement shall extend to and be binding upon the heirs, personal representatives, successors and assigns of the Grantors and Grantee named herein.

IN WITNESS WHEREOF, the undersigned Grantors and Grantee accept the terms and conditions of this Surface Use Agreement.

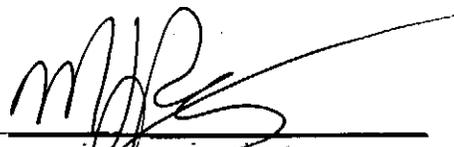


LEE W. O'NEIL

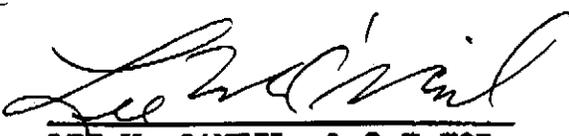


LEE W. O'NEIL, A-I-F FOR
ERIN L. CULLUM

GRAND MESA OPERATING COMPANY

By: 

MICHAEL J. REILLY
President



LEE W. O'NEIL, A-I-F FOR
ERICA L. WILLINGHAM

STATE OF COLORADO)
)
COUNTY OF MORGAN) ss

Before me, the undersigned, a Notary Public, within and for said County and State on this 16th day of APRIL, 2013, personally appeared Lee W. O'Neil, individually and as Attorney-in-Fact for Erin L. Cullum and Erica L. Willingham, to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as a free and voluntary act and deed for the uses and purposes therein set forth, and at the same time the affiant was by me duly sworn to the foregoing Surface Damage Agreement.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

MY COMMISSION EXPIRES:

DONNA L. SHAVER
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID # 10004002031
MY COMMISSION EXPIRES SEPTEMBER 05, 2016

Donna L. Shaver
Notary Public

STATE OF KANSAS)
)
COUNTY OF SEDGWICK) ss

Before me, the undersigned, a Notary Public, within and for said County and State on this 17th day of April, 2013, personally appeared Michael J. Reilly President of Grand Mesa Operating Company, to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as a free and voluntary act and deed for the uses and purposes therein set forth, and at the same time the affiant was by me duly sworn to the foregoing Surface Use Agreement.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

MY COMMISSION EXPIRES:

9/16/2013

Mary F. Combs
Notary Public MARY F. COMBS
(1610)

MARY F. COMBS
Notary Public - State of Kansas
My Appt. Expires 9/16/2013



#7758

FORM 27 Rev 6/99

State of Colorado Oil and Gas Conservation Commission



1120 Lincoln Street, Suite 801, Denver, Colorado 80203 (303)894-2100 Fax:(303)894-2109

FOR OGCC USE ONLY
OGCC Employee
Spill Complaint
Inspection NOAV
Tracking No:

SITE INVESTIGATION AND REMEDIATION WORKPLAN

This form shall be submitted to the Director for approval prior to the initiation of site investigation and remediation activities. Form 27 is intended to be used whenever possible. Additional documentation will be required when large volumes of soil and groundwater have been impacted or involve large facilities with multiple source areas. See Rule 910. Attach as many pages as needed to fully describe the proposed work.

CAUSE OF CONDITION BEING INVESTIGATED AND REMEDIATED

Spill or Release Plug & Abandon Central Facility Closure Site/Facility Closure Other (describe): Site remediation

OGCC Operator Number: 35080
Name of Operator: Grand Mesa Operating Company
Address: 1700 N. Waterfront Pkwy, Bldg 600
City: Wichita State: KS Zip: 67206-5514
Contact Name and Telephone: Michael Reilly/Patrick Reilly/Phyllis Brewer
No: 316-265-3000 Fax: 316-265-3455
API Number: 05-121-10096; 10139; 10304
County: Washington
Facility Name:
Well Name: Hunt
Well Number: #1-19; #2-19; #2-24
Location: (QtrQtr, Sec, Twp, Rng, Meridian): SW/NW 19-28-54W; SE/NW 19-28-54W; SE/SE 24-28-56W Latitude: Longitude:

TECHNICAL CONDITIONS

Type of Waste Causing Impact (crude oil, condensate, produced water, etc): Crude oil, Pits, Sign markings, Roads, needing remediation
Site Conditions: Is location within a sensitive area (according to Rule 901e)? Y N If yes, attach evaluation.
Adjacent land use (cultivated, irrigated, dry land farming, industrial, residential, etc.): Dry Land, Pasture
Soil type, if not previously identified on Form 2A or Federal Surface Use Plan: See attached sheet for Soil types
Potential receptors (water wells within 1/4 mi, surface waters, etc.): Water well - 2543' ; Ground water Stream/River 2958'
Description of Impact (if previously provided, refer to that form or document):
Impacted Media (check): Extent of Impact: How Determined: COGCC-GIS online
Samples to be taken to laboratory

REMEDIATION WORKPLAN

Describe initial action taken (if previously provided, refer to that form or document):
1) Ordered signs for Tank Batteries, well site & all containers at wells to comply to Rule 210.b
2) Mt. Man Roustabouts hired and met onsite to do lease roads and well site work plan 4/8/13, picked up all unused equipment at site and removed to meet with landowners surface use agreement.
Describe how source is to be removed:
Dig out skim pit and do any requested soil samples. Skim pit to be replaced with a 120bbl Fiberglass Tank
Describe how remediation of existing impacts is to be accomplished, including removal and disposal at an injection well or licensed facility, land treatment on site, removal of impacted groundwater, insitu bioremediation, burning of oily vegetation, etc.:
1) Roads to meet landowner Surface Use Agreement and maintain roads using BMP.
2) Berm at Tank battery to be rebuilt to comply with State regulations.
3) Produced water pits with oil residue to be cleaned and free board to be built to state regulations.

REM 7315

FORM 27 Rev 6/99

State of Colorado Oil and Gas Conservation Commission 1120 Lincoln Street, Suite 801, Denver, Colorado 80203 (303)894-2100 Fax:(303)894-2109



Tracking Number: _____ Name of Operator: _____ OGCC Operator No: _____ Received Date: _____ Well Name & No: _____ Facility Name & No: _____

Page 2 REMEDIATION WORKPLAN (Cont.)

OGCC Employee: Axelson

If groundwater has been impacted, describe proposed monitoring plan (# of wells or sample points, sampling schedule, analytical methods, etc.):
Samples for BTEX and TPH will be taken by A. G. Wassenaar, Inc. and sent to laboratory. They will prepare all results and same will be sent to the COGCC with schematic drawing of places samples were taken.

Describe reclamation plan. Discuss existing and new grade recontouring; method and testing of compaction alleviation; and reseeding program, including location of new seed, seed mix and noxious weed prevention. Attach diagram or drawing. Use additional sheet for description if required.
By landowners request and the Surface Agreement between Grand Mesa Operating Company and the landowner the reclamation area will be allowed to re-seed itself naturally (Buffalo grass).
(see attached copy of Surface Agreement & diagram)

Attach samples and analytical results taken to verify remediation of impacts. Show locations of samples on an onsite schematic or drawing.
Is further site investigation required? Y N If yes, describe:
Final reclamation Form 4 will have to be sent in after samples and all remediation corrections have taken place.

Final disposition of E&P waste (landtreated and disposed onsite, name of licensed disposal facility, recycling, reuse, etc.):
Contaminated soil will be landfarmed on location. Treated soil will be incorporated onsite. Will re-claim the soil and put back into production.

IMPLEMENTATION SCHEDULE

Date Site Investigation Began: _____ Date Site Investigation Completed: _____ Date Remediation Plan Submitted: _____
Remediation Start Date: _____ Anticipated Completion Date: _____ Actual Completion Date: _____

I hereby certify that the statements made in this form are, to the best of my knowledge, true, correct, and complete.

Print Name: Michael J. Reilly Signed: [Signature]
Title: President Date: 4/15/13

OGCC Approved: ACE for John Axelsson Title: NE EPS Date: 5/9/2013

★ SEE ATTACHED CONDITIONS OF APPROVAL

HUNT LEASES REMEDIATION – SOIL TYPES

HUNT #1-19 -- Soil Types

Colby-Norka Loams; Colby Loam

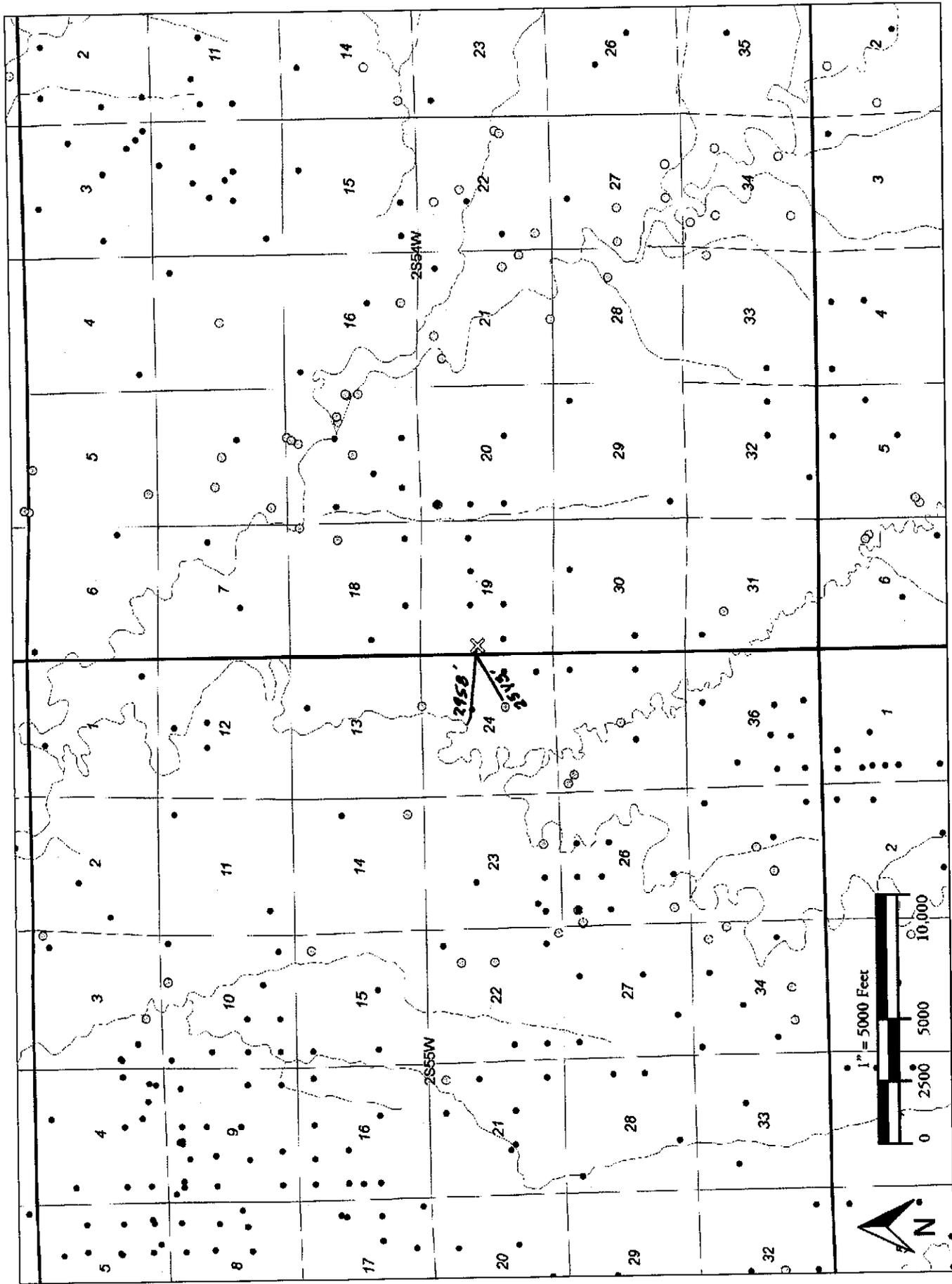
HUNT #2-19 -- Soil Types

Weld Silt Loam

HUNT #2-24 -- Soil Types

Norka-Colby Loams

Sec. 19-2S-54W Ground Wtr & Wells (wtr)



STATE OF COLORADO
OIL AND GAS CONSERVATION COMMISSION
Department of Natural Resources

APPLICATION FOR PERMIT TO USE EARTHEN PIT

1. CHECK ONE: NEW PIT EXISTING PIT TREATMENT FACILITY OTHER

2. NAME OF OPERATOR
Grand Mesa Operating Company

3. ADDRESS OF OPERATOR 200 E. 1st Street, Suite #307, Wichita, KS 67202 PHONE NO. 316-265-3000

4. LEASE NAME Hunt 5. PRODUCING FORMATION J-Sand 6. GROUND ELEVATION 4744

7. LOCATION (Report location clearly to the nearest 10 acres) NE/NE/NW 19-2S-54W 8. COUNTY Wash 9. STATE CO

10. SIZE OF PIT: LENGTH 150 FT. WIDTH 75 FT. DEPTH 18 FT.

11. CAPACITY 36,000 BBLs. 12. ESTIMATED INFLOW 120 BIS/DAY

13. DISPOSAL OF PIT CONTENT: HAULED _____ DISPOSAL WELL _____ EVAPORATION

14. MAXIMUM FLUID LEVEL ABOVE AVG. GROUND LEVEL 0 FT.

15. DRAINAGE DISTANCE IN FEET TO CLOSEST FRESH WATER POND, STREAM OR LAKE 5280 FT.

16. SUBSOIL TYPE Sandy clay loam

17. TYPE OF SEALING MATERIAL (Including specifications and Method of Application)
None

18. ADDITIONAL INFORMATION (By attachment include detailed plan of operation, chemical analysis of produced water, necessary maps, logs and other information as may be required by Rules 325 and 326 of the Rules and Regulations of the Oil and Gas Conservation Commission.)

RECEIVED

MAY 29 1990

COLO. OIL & GAS CONS. COMM

19. I HEREBY CERTIFY THAT THE FOREGOING IS TRUE AND CORRECT
SIGNED Ronald N. Sinclair TITLE President DATE 5/23/90

THIS SPACE FOR COMMISSION USE

APPROVED BY D.R. Bicknell TITLE Director DATE 10/5/90

CONDITIONS OF APPROVAL, IF ANY:
As contained in JK memo - 10/4/90.

AUG 26 1985

RECEIVED

AUG 15 1985

COLO. OIL & GAS CONS. COMM.

STATE OF COLORADO
OIL AND GAS CONSERVATION COMMISSION
Department of Natural Resources

APPLICATION FOR PERMIT TO USE EARTHEN PIT

1. CHECK ONE

NEW PIT EXISTING PIT RECEPTACLE OTHER

2. NAME OF OPERATOR

Grand Mesa Operating Company

3. ADDRESS OF OPERATOR

200 East First - #307 Wichita, KS 67202

4. LEASE NAME

Hunt

5. PRODUCING FORMATION(S)

J-Sand

6. PRODUCING OIL, COND., GAS

Oil & Gas

7. LOCATION-nearest 10 acres, 1/4 1/4 Sec. T. R.

NW/4-NE/4-NW/4 of Sec. 19-T2S-R54W

8. COUNTY

Washington

9. FIELD NAME

Hotspur

10. SIZE OF PIT(S) or RECEPTACLE

1. Length 18 Ft. Width 15 Ft. Depth 10 Ft. 2. Length Ft. Width Ft. Depth Ft.

11. CAPACITY

1. PIT 480 BBLs. 2. PIT BBLs. @ present

12. ESTIMATED INFLOW

4 BBLs/DAY To Vega Creek

13. DISTANCE IN FEET TO CLOSEST
STEAM, CREEK, POND, IRRIGA-
TION DITCH

5280

14. MAXIMUM FLUID LEVEL

ABOVE AVG. GROUND LEVEL

3 Ft.

15. SURFACE SOIL TYPE

Sandy Clay Loam

16. DISPOSAL OF PIT CONTENT:

EVAPORATION

HAULED (PIT LOC.)

DISPOSAL WELL (LOC.)

17. TYPE OF SEALING MATERIAL (including specifications)

None

18. ADDITIONAL INFORMATION (By attachment include detailed plan and drawing of operation, chemical analysis of produced water, maps, logs, retaining pits or receptacles and other information as may be required by Rules 328 and 329 of the Rules and Regulations of the Oil and Gas Conservation Commission.)

19. I HEREBY CERTIFY THAT THE FOREGOING IS TRUE AND CORRECT

SIGNED

James P. Reilly

TITLE

Vice Pres.

DATE

8-12-85

THIS SPACE FOR COMMISSION USE

APPROVED BY

William H. Smith

TITLE

DIRECTOR
O & G Cons. Comm.

DATE

AUG 20 1985

CONDITIONS OF APPROVAL, IF ANY: