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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: <p style="text-align: center;"><u>08/05/2013</u></p> Document Number: <p style="text-align: center;"><u>671100277</u></p> Overall Inspection: <p style="text-align: center;"><u>Satisfactory</u></p> |
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| | | | | | |
|---------------------|------------------------------|-------------------------|---|---|-------------------|
| Location Identifier | Facility ID <u>417944</u> | Loc ID <u>417939</u> | Inspector Name: <u>Peterson, Tom</u> | On-Site Inspection <input type="checkbox"/> | 2A Doc Num: _____ |
|---------------------|------------------------------|-------------------------|---|---|-------------------|

Operator Information:

OGCC Operator Number: 2800 Name of Operator: ANADARKO E&P ONSHORE LLC

Address: PO BOX 173779

City: DENVER State: CO Zip: 80217

Contact Information:

| Contact Name | Phone | Email | Comment |
|--------------|----------------|-------------------------|------------|
| Avant, Paul | (720) 929-6457 | Paul.Avant@Anadarko.com | Regulatory |

Compliance Summary:

QtrQtr: NWNW Sec: 1 Twp: 8N Range: 67W

| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Unsatisfactory | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|------------------------------|----------|----------------|-----------------|
| 09/06/2011 | 200320708 | PR | PR | S | | | N |
| 03/22/2011 | 200304574 | DG | ND | U | | | N |
| 10/09/2010 | 200279200 | OI | ND | U | | | N |

Inspector Comment:

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | |
|-------------|------|--------|-------------|------------|-----------|------------------|-------------------------------------|
| 417944 | WELL | PR | 06/07/2011 | OW | 123-31795 | HOBART 8-67-1-4H | <input checked="" type="checkbox"/> |

Equipment: Location Inventory

| | | | |
|------------------------------|------------------------|---------------------|-------------------------|
| Special Purpose Pits: _____ | Drilling Pits: _____ | Wells: <u>1</u> | 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 |
|----------------------|-----------------------------|---------|-------------------|---------|
| BATTERY | Satisfactory | | | |
| WELLHEAD | Satisfactory | | | |
| TANK LABELS/PLACARDS | Satisfactory | | | |

(S/U/V) Satisfactory

| | |
|---------------------------|------------------------|
| Emergency Contact Number: | Corrective Date: _____ |
| Comment: | _____ |
| Corrective Action: | _____ |

| Good Housekeeping: | | | | |
|---------------------------|-----------------------------|-----------------------------------|------------------------|------------|
| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| UNUSED EQUIPMENT | Unsatisfactory | Damaged chemical drum at pumpjack | Remove or replace drum | 09/02/2013 |

| 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 | Barbed wire | | |
| LOCATION | Satisfactory | Barbed wire | | |
| IGNITOR/COMBUST OR | Satisfactory | Panel | | |
| PUMP JACK | Satisfactory | Panel | | |
| SEPARATOR | Satisfactory | Barbed wire | | |
| WELLHEAD | Satisfactory | Panel | | |

| Equipment: | | | | | |
|---------------------------|---|-----------------------------|---|-------------------|---------|
| Type | # | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| Emission Control Device | 1 | Satisfactory | | | |
| Pump Jack | 1 | Satisfactory | | | |
| Bird Protectors | 3 | Satisfactory | | | |
| Ancillary equipment | 1 | Satisfactory | Satellite dish | | |
| Prime Mover | 1 | Satisfactory | Natural gas engine on pumpjack | | |
| Flare | 1 | Satisfactory | | | |
| Prime Mover | 1 | Satisfactory | Gas engine on recirculating pump | | |
| Gas Meter Run | 1 | Satisfactory | | | |
| Ancillary equipment | 1 | Satisfactory | !00 bbl fiberglass tank in use as pumpjack engine muffler | | |
| Flow Line | 1 | Satisfactory | | | |
| Horizontal Heater Treater | 1 | Satisfactory | N40.41701 W104.50750 | | |
| Ancillary equipment | 1 | Satisfactory | Propane tank | | |
| Ancillary equipment | 1 | Satisfactory | Pumpjack engine oil supply drum | | |
| Ancillary equipment | 1 | Satisfactory | Recirculating pump | | |
| Vertical Separator | 2 | Satisfactory | | | |
| Ancillary equipment | 2 | Satisfactory | Chemical systems | | |

Inspector Name: Peterson, Tom

| | | | | | |
|---------------------|---|--------------|---------------------------------------|--|--|
| Ancillary equipment | 1 | Satisfactory | Pump jack starter motor | | |
| Prime Mover | 1 | Satisfactory | Gas engine on pumpjack engine starter | | |

Facilities: New Tank Tank ID: _____

| | | | | | |
|--------------------|--------------|----------|-----------|---|--|
| Contents | # | Capacity | Type | SE GPS | |
| PRODUCED WATER | 1 | 400 BBLS | STEEL AST | , | |
| S/U/V: | Satisfactory | | Comment: | Same GPS coordinates as crude oil tanks | |
| Corrective Action: | | | | Corrective Date: | |

Paint

| | |
|-----------|----------|
| Condition | Adequate |
|-----------|----------|

Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

| | | | | | |
|-------------------|----------|---------------------|---------------------|-----------------|--|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance | |
| Metal | Adequate | Walls Sufficent | Base Sufficient | Adequate | |
| Corrective Action | | | | Corrective Date | |
| Comment | | | | | |

Facilities: New Tank Tank ID: _____

| | | | | | |
|--------------------|--------------|----------|-----------|----------------------|--|
| Contents | # | Capacity | Type | SE GPS | |
| CRUDE OIL | 5 | 400 BBLS | STEEL AST | , | |
| S/U/V: | Satisfactory | | Comment: | N40.41711 W104.50782 | |
| Corrective Action: | | | | Corrective Date: | |

Paint

| | |
|-----------|----------|
| Condition | Adequate |
|-----------|----------|

Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

| | | | | | |
|-------------------|----------|---------------------|---------------------|-----------------|--|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance | |
| Metal | Adequate | Walls Sufficent | 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: 417939

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: 417944 Type: WELL API Number: 123-31795 Status: PR Insp. Status: PR

Producing Well

Comment: PR

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: CRP

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? 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? Pass
 Production areas have been stabilized? Pass Segregated soils have been replaced? Pass

RESTORATION AND REVEGETATION

Cropland

Inspector Name: Peterson, Tom

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

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: CRP

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 | Pass | Gravel | Pass | SI | Pass | |

S/U/V: Satisfactory Corrective Date: _____

Comment: _____

CA: _____