

**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:

08/16/2013

Document Number:

663901495

Overall Inspection:

Unsatisfactory**FIELD INSPECTION FORM**

| | | | | | |
|---------------------|-------------|--------|-----------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | 335961 | 335961 | LONGWORTH, MIKE | <input type="checkbox"/> | |

Operator Information:OGCC Operator Number: 96850 Name of Operator: WPX ENERGY ROCKY MOUNTAIN LLCAddress: 1001 17TH STREET - SUITE #1200City: DENVERState: COZip: 80202**Contact Information:**

| Contact Name | Phone | Email | Comment |
|------------------|------------------------|-------------------------------|------------------------------------|
| Brady, Scott | (970) 285-9377 | Lowell.Bradley@WPXEnergy.com | Drilling Super Intendent |
| KELLERBY, SHAUN | | shaun.kellerby@state.co.us | |
| Moss, Brad | (970) 285-9377 | Brad.Moss@WPXEnergy.com | Production foreman |
| Gardner, Michael | 970/285-9377 ext. 2760 | Michael.Gardner@WPXEnergy.com | Principal Environmental Specialist |

Compliance Summary:QtrQtr: NWSW Sec: 1 Twp: 6S Range: 98W**Inspector Comment:**

2 open conductors, cellars and ratholes found between TR 11-1 and TR 12-1. Not found on COGCC map or in Database. 1 open rathole at TR12-1. 1 open rathole east of north conductor was partial covered with earth and shell. Possibly additional conductor(s) and rathole(s) covered. Recap total of openings found: 2 conductors 2 cellars 4 rate holes. Please see COGCC Policy Conductor Pipe Setting (04/06/2006). Contact COGCC inspector to discuss plans to close these open holes.

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | |
|-------------|------|--------|-------------|------------|-----------|----------------------|-------------------------------------|
| 296256 | WELL | PR | 04/01/2012 | LO | 045-15971 | Chevron TR 12-1-698 | <input checked="" type="checkbox"/> |
| 296257 | WELL | PR | 04/01/2012 | LO | 045-15972 | Chevron TR 412-1-698 | <input checked="" type="checkbox"/> |
| 296258 | WELL | PR | 09/01/2012 | LO | 045-15973 | Chevron TR 11-1-698 | <input checked="" type="checkbox"/> |

Equipment:**Location Inventory**

| | | | |
|-------------------------------------|--------------------------------|--------------------------|---------------------------------|
| Special Purpose Pits: <u>1</u> | Drilling Pits: <u> </u> | Wells: <u>11</u> | Production Pits: <u> </u> |
| Condensate Tanks: <u> </u> | Water Tanks: <u>2</u> | Separators: <u>3</u> | Electric Motors: <u> </u> |
| Gas or Diesel Motors: <u> </u> | Cavity Pumps: <u> </u> | LACT Unit: <u> </u> | Pump Jacks: <u> </u> |
| Electric Generators: <u> </u> | Gas Pipeline: <u> </u> | Oil Pipeline: <u>1</u> | Water Pipeline: <u>1</u> |
| Gas Compressors: <u> </u> | VOC Combustor: <u> </u> | Oil Tanks: <u>2</u> | Dehydrator Units: <u> </u> |
| Multi-Well Pits: <u> </u> | Pigging Station: <u> </u> | Flare: <u> </u> | Fuel Tanks: <u> </u> |

Location**Lease Road:**

| Type | Satisfactory/Unsatisfactory | comment | Corrective Action | Date |
|--------|-----------------------------|---------|-------------------|------|
| Access | Satisfactory | | | |

Inspector Name: LONGWORTH, MIKE

| Signs/Marker: | | | | |
|----------------------|-----------------------------|---|-------------------|---------|
| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| CONTAINERS | Satisfactory | | | |
| TANK LABELS/PLACARDS | Satisfactory | | | |
| WELLHEAD | Satisfactory | No identification on the 2 open conductors. | | |
| BATTERY | Satisfactory | | | |

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? | | | | |

| Fencing/: | | | | |
|------------------|-----------------------------|---------|-------------------|---------|
| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| SEPARATOR | Satisfactory | | | |
| WELLHEAD | Satisfactory | | | |
| SEPARATOR | Satisfactory | | | |

| Equipment: | | | | | |
|-----------------------------|---|-----------------------------|---------------------|-------------------|---------|
| Type | # | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| Bird Protectors | 4 | Satisfactory | | | |
| Plunger Lift | 3 | Satisfactory | | | |
| Horizontal Heated Separator | 4 | Satisfactory | Quad unit separator | | |
| Ancillary equipment | 1 | Satisfactory | | | |

Facilities: ☐ New Tank Tank ID: _____

| Contents | # | Capacity | Type | SE GPS |
|------------|---|----------|------------------|--------|
| CONDENSATE | 1 | 500 BBLS | HEATED STEEL AST | , |

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 |
| | | | | |
| Corrective Action | | | | Corrective Date |
| Comment | | | | |

| | | | | | |
|--|--------------|-----------------------------------|---------------------|----------------------|--|
| Facilities: | | <input type="checkbox"/> New Tank | | Tank ID: _____ | |
| Contents | # | Capacity | Type | SE GPS | |
| PRODUCED WATER | 1 | OTHER | HEATED STEEL AST | 39.561130,108.284810 | |
| S/U/V: | Satisfactory | | Comment: | | |
| Corrective Action: | | | | Corrective Date: | |
| <u>Paint</u> | | | | | |
| Condition | Adequate | | | | |
| Other (Content) _____ | | | | | |
| Other (Capacity) 10,000 bbl tank _____ | | | | | |
| Other (Type) _____ | | | | | |
| <u>Berms</u> | | | | | |
| 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 | |
| METHANOL | 1 | <50 BBLS | STEEL AST | 39.561150,108.285390 | |
| 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 | |
| Metal | Adequate | Walls Sufficient | Base Sufficient | Adequate | |
| Corrective Action | | | | Corrective Date | |
| Comment | | | | | |
| Stock tank | | | | | |

| | | | | | |
|--------------------------|-----------------------------|-----------------------------------|---|-----------------------|------------------|
| Facilities: | | <input type="checkbox"/> New Tank | | Tank ID: _____ | |
| Contents | # | Capacity | Type | SE GPS | |
| CONDENSATE | 1 | 500 BBLS | STEEL AST | , | |
| 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 | |
| | | | | | |
| Corrective Action | | | | | Corrective Date |
| Comment | | | | | |
| Facilities: | | <input type="checkbox"/> New Tank | | Tank ID: _____ | |
| Contents | # | Capacity | Type | SE GPS | |
| OTHER | 1 | 400 BBLS | STEEL AST | , | |
| S/U/V: | Satisfactory | | Comment: Tank delivered during inspection. Tank was set by berm and not in use. | | |
| 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 | |
| | | | | | |
| Corrective Action | | | | | Corrective Date |
| Comment | | | | | |
| Venting: | | | | | |
| Yes/No | Comment | | | | |
| | | | | | |
| Flaring: | | | | | |
| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date | |
| Ignitor/Combustor | Satisfactory | | | | |
| <u>Predrill</u> | | | | | |
| Location ID: 335961 | | | | | |
| Site Preparation: | | | | | |
| Lease Road Adeq.: _____ | | Pads: _____ | | Soil Stockpile: _____ | |
| Corrective Action: _____ | | Date: _____ | | CDP Num.: _____ | |

Form 2A COAs:

| Group | User | Comment | Date |
|-------|-----------|---|------------|
| OGLA | kubeczkod | <p>GENERAL SITE COAs:</p> <p>Reserve pit (or any other pit used to contain/hold fluids) must be lined or a closed loop system must be implemented during drilling.</p> <p>The nearby hillside must be monitored for any day-lighting of drilling fluids throughout the drilling of the surface casing interval.</p> <p>Operator must ensure 110 percent secondary containment for any volume of fluids contained at well site during drilling and completion operations; including, but not limited to, construction of a berm or diversion dike, diversion/collection trenches within and/or outside of berms/dikes, site grading, or other comparable measures (i.e., best management practices (BMPs) associated with stormwater management) sufficiently protective of nearby surface water. Any berm constructed at the well pad location will be stabilized, inspected at regular intervals (at least every 14 days), and maintained in good condition.</p> <p>Operator must implement best management practices to contain any unintentional release of fluids, including any fluids conveyed via temporary surface pipelines.</p> <p>Flowback and stimulation fluids must be sent to tanks, separators, or other containment/filtering equipment before the fluids can be placed into any pipeline or pit located on the well pad. The flowback and stimulation fluid tanks, separators, or other containment/filtering equipment must be placed on the well pad in an area with additional downgradient perimeter berming. The area where flowback fluids will be stored/reused must be constructed to be sufficiently impervious to contain any spilled or released material.</p> <p>The moisture content of any drill cuttings in a cuttings pit, trench, or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts. At the time of closure, the drill cuttings must also meet the applicable standards of table 910-1.</p> <p>No portion of any pit that will be used to hold liquids shall be constructed on fill material, unless the pit and fill slope are designed and certified by a professional engineer, subject to review and approval by the director prior to construction of the pit. The construction and lining of the pit shall be supervised by a professional engineer or their agent. The entire base of the pit must be in cut.</p> <p>Operator must comply with all provisions of the June 12, 2008 Notice to Operators (NTO) (which Oxy has indicated on the Form 2A) Drilling Wells Within ¾ Mile of the Rim of the Roan Plateau in Garfield County – Pit Design, Construction, and Monitoring Requirements.</p> | 07/12/2011 |

Comment: Containment under chemical tote and metal berm around tank battery. Current work being done on BMPs.

CA:

Date:

Wildlife BMPs:

| BMP Type | Comment |
|--------------|--|
| Construction | <ul style="list-style-type: none"> Structures for perennial or intermittent stream channel crossings should be constructed using appropriately sized bridges or culverts Design road crossings of streams to allow fish passage at all flows and to minimize the generation of sediment. Design road crossings of streams at right angles to all riparian corridors and streams to minimize the area of disturbance to the extent possible. Construct retention basins and ponds that benefit wildlife |

| | |
|--------------------------------|---|
| Planning | <p>PLANNING BMP's</p> <ul style="list-style-type: none"> • Share/consolidate corridors for pipeline ROWs to the maximum extent possible. • Maximize the utility of surface facilities by developing multiple wells from a single pad (directional drilling), and by co-locating multipurpose facilities (for example, well pads and compressors) to avoid unnecessary habitat fragmentation and disturbance of additional geographic areas. • Minimize newly planned activities and operations within 300 feet of the ordinary high water mark of any reservoir, lake, wetland, or natural perennial or seasonally flowing stream or river. • Locate roads outside of drainages where possible and outside of riparian habitat. • Avoid constructing any road segment in the channel of an intermittent or perennial stream • Minimize the number, length, and footprint of oil and gas development roads • Use existing roads where possible • Combine utility infrastructure (gas, electric, and water) planning with roadway planning to avoid separate utility corridors • Combine and share roads to minimize habitat fragmentation • Where possible, consolidate pipeline and existing roadways, or roadways that are planned for development • Maximize the use of directional drilling to minimize habitat loss/fragmentation • Maximize use of remote completion/frac operations to minimize traffic • Maximize use of remote telemetry for well monitoring to minimize traffic • Restrict oil and gas activities as practical during critical seasonal periods • In order to minimize impacts to sage-grouse lekking and nesting activities, Williams will avoid conducting drilling and completions activities at this location between March 1st and July 1st of each year |
| Drilling/Completion Operations | <ul style="list-style-type: none"> • Use centralized hydraulic fracturing operations. • Install and maintain adequate measures to exclude all types of wildlife (e.g., big game, birds, and small rodents) from all fluid pits (e.g., fencing, netting, and other appropriate exclusion measures). |
| Final Reclamation | <ul style="list-style-type: none"> • Remove well pad and road surface materials that are incompatible with post-production land use and re-vegetation requirements. • Use only certified weed-free native seed in seed mixes, except for non-native plants that benefit wildlife • Williams will use certified, weed free grass hay, straw, hay or other mulch materials used for the reseeded and reclamation of disturbed areas. • Install exclusionary devices to prevent bird and other wildlife access to equipment stacks, vents and openings. • Reduce visits to well-sites through remote monitoring (i.e. SCADA) and the use of multi-function contractors. • Avoid dust suppression activities within 300 feet of the ordinary high water mark of any reservoir, lake, wetland, or natural perennial or seasonally flowing stream or river where possible. |

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: 296256 Type: WELL API Number: 045-15971 Status: PR Insp. Status: PR

Producing Well

Comment: Producing well. Open rathole at well. Rathole has a lid but is not welded or secured to rathole pipe.

Facility ID: 296257 Type: WELL API Number: 045-15972 Status: PR Insp. Status: PR

Producing Well

Comment: Producing well

Facility ID: 296258 Type: WELL API Number: 045-15973 Status: PR Insp. Status: PR

Producing Well

Comment: Producing well

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: _____

Inspector Name: LONGWORTH, MIKE

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? Pass CM _____

CA _____ CA Date _____

Waste Material Onsite? Pass CM _____

CA _____ CA Date _____

Unused or unneeded equipment onsite? In CM Dozer and track hoe on location

CA _____ CA Date _____

Pit, cellars, rat holes and other bores closed? Fail CM 2 conductors and 4 ratholes open at well heads.

CA Close conductors and ratholes. CA Date 08/31/2013

Guy line anchors removed? Pass 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? _____ 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: Dirt work in process.

Overall Interim Reclamation Fail

Final Reclamation/ Abandoned Location:

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

Final Land Use: RANGELAND

Reminder: _____

Comment: _____

Inspector Name: LONGWORTH, MIKE

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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Ditches | Pass | Ditches | | | | |
| Seeding | Fail | Gravel | Pass | | | |
| Compaction | Pass | Compaction | Pass | | | |
| | | Culverts | | | | |
| Berms | Pass | Berms | Pass | MHSP | Pass | |

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

Comment: Fresh dirt work on berm and cut ditches lower side of pad.

CA: _____