

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



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| DE | ET | OE | ES |
|----|----|----|----|

Inspection Date:
08/29/2013

Document Number:
670200804

Overall Inspection:
Satisfactory

FIELD INSPECTION FORM

| | | | | | |
|---------------------|---------------|---------------|----------------------|--------------------|--------------------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | <input type="checkbox"/> |
| | <u>283919</u> | <u>324483</u> | <u>BURGER, CRAIG</u> | 2A Doc Num: | |

Operator Information:

OGCC Operator Number: 100122 Name of Operator: GUNNISON ENERGY CORPORATION
 Address: 1801 BROADWAY #1200
 City: DENVER State: CO Zip: 80202

Contact Information:

| Contact Name | Phone | Email | Comment |
|-----------------|--------------|----------------------------|---------------------|
| Arsenault, Alan | 970-874-4333 | al.arsenault@oxbow.com | Operatons Foreman |
| Kellerby, Shaun | | Shaun.Kellerby@state.co.us | NW Field Supervisor |
| Johnson, Patty | 303-291-1243 | patty.johnson@oxbow.com | |

Compliance Summary:

QtrQtr: SENW Sec: 18 Twp: 12S Range: 89W

| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Unsatisfactory | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|------------------------------|----------|----------------|-----------------|
| 10/09/2012 | 668400725 | IJ | AC | S | | | N |
| 03/22/2012 | 668400039 | IJ | AC | S | P | | N |
| 05/26/2011 | 200316849 | RT | AC | S | | | N |
| 08/18/2010 | 200267482 | RT | AC | S | | | N |
| 06/08/2010 | 200262205 | SR | AC | S | | | N |
| 08/17/2009 | 200216823 | RT | AC | S | | | N |
| 03/16/2007 | 200108091 | MI | PD | U | I | F | N |

Inspector Comment:

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | |
|-------------|--------------|--------|-------------|------------|-----------|--------------------------------|-------------------------------------|
| 159183 | UIC DISPOSAL | AC | 06/12/2007 | | - | HOTCHKISS 1289 #18-22D | <input checked="" type="checkbox"/> |
| 283919 | WELL | SI | 11/15/2012 | GW | 051-06073 | HOTCHKISS FEDERAL 12-89 18-22D | <input type="checkbox"/> |
| 284077 | PIT | AC | 04/07/2006 | | - | HOTCHKISS FEDERAL 18-22D | <input type="checkbox"/> |
| 412982 | WELL | AL | 12/06/2011 | LO | 051-06091 | HOTCHKISS FEDERAL 1289 18-22A | <input type="checkbox"/> |

Equipment:

Location Inventory

| | | | |
|-------------------------------|---------------------------|----------------------|--------------------------|
| Special Purpose Pits: _____ | Drilling Pits: <u>1</u> | Wells: <u>3</u> | Production Pits: _____ |
| Condensate Tanks: _____ | Water Tanks: <u>4</u> | Separators: <u>3</u> | Electric Motors: _____ |
| Gas or Diesel Mortors: _____ | Cavity Pumps: <u>3</u> | LACT Unit: <u>1</u> | Pump Jacks: _____ |
| Electric Generators: <u>1</u> | Gas Pipeline: <u>3</u> | Oil Pipeline: _____ | Water Pipeline: <u>3</u> |
| Gas Compressors: _____ | VOC Combustor: _____ | Oil Tanks: _____ | Dehydrator Units: _____ |
| Multi-Well Pits: _____ | Pigging Station: <u>1</u> | Flare: <u>3</u> | Fuel Tanks: <u>1</u> |

Location

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? | | | | |

Venting:

| Yes/No | Comment |
|--------|---------|
| | |

Flaring:

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

Predrill

Location ID: 324483

Site Preparation:

Lease Road Adeq.: _____ Pads: _____ Soil Stockpile: _____
 Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:

| Group | User | Comment | Date |
|--------|---------|---|------------|
| Agency | lindblo | Operator shall comply with BMPs described in the Comprehensive Drilling Plan, Order 1-143. Operator shall line pits constructed at the Oil and Gas Location. | 07/30/2009 |

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: 159183 Type: UIC API Number: - Status: AC Insp. Status: SI

Underground Injection Control

UIC Violation: _____ Maximum Injection Pressure: 752

UIC Routine

Inj./Tube: Pressure or inches of Hg 0 Previous Test Pressure _____ MPP _____
(e.g. 30 psig or -30" Hg) Inj Zone: _____

TC: Pressure or inches of Hg 0 Previous Test Pressure _____ Last MIT: _____

Brhd: Pressure or inches of Hg _____ Previous Test Pressure _____ AnnMTReq: _____

Comment: Well shut in at time of inspection.
Bradenhead not accessible for monitoring.
Provide means to monitor bradenhead pressure.

Method of Injection: PUMP FEED

Test Type: _____ Tbg psi: _____ Csg psi: _____ BH psi: _____

Insp. Status: _____

Comment: _____

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: RANGELAND

Comment: _____

1003a. Debris removed? _____ CM _____

CA _____ CA Date _____

Waste Material Onsite? _____ CM _____

CA _____ CA Date _____

Unused or unneeded equipment onsite? _____ CM _____

CA _____ CA Date _____

Pit, cellars, rat holes and other bores closed? _____ 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? _____ Production areas stabilized? _____

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: _____

Overall Interim Reclamation _____

Final Reclamation/ Abandoned Location:

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

Final Land Use: RANGELAND _____

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 |
| | | | | | | |

S/U/V: _____ Corrective Date: _____

Comment: _____

CA: _____

| Permit: | Facility ID | Permit Num | Expiration Date |
|---------|-------------|------------|-----------------|
| | 284077 | 1433363 | |
| | 284077 | 1433363 | |