

|  |   |  |    |    |    |    |
|--|---|--|----|----|----|----|
| <b>FORM<br/>INSP</b><br><small>Rev<br/>05/11</small> | <b>State of Colorado</b><br><b>Oil and Gas Conservation Commission</b><br><small>1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109</small> |  | DE | ET | OE | ES |
|--|---|--|----|----|----|----|

**FIELD INSPECTION FORM**

|                     |             |        |                 |                    |                          |
|---------------------|-------------|--------|-----------------|--------------------|--------------------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | <input type="checkbox"/> |
|                     | 431256      | 431251 | QUINT, CRAIG    | 2A Doc Num:        |                          |

|   |
|---|
| Inspection Date:<br><u>12/17/2013</u>   |
| Document Number:<br><u>668601827</u>  |
| Overall Inspection:<br><b style="border: 2px solid red; padding: 2px;">Unsatisfactory</b> |

**Operator Information:**

|   |
|---|
| OGCC Operator Number:                                     |
| Name of Operator: <u>PRONGHORN OPERATING LLC</u>          |
| Address: <u>8400 E PRENTICE AVENUE #1000</u>              |
| City: <u>GREENWOOD</u> State: <u>CO</u> Zip: <u>80111</u> |

- THIS IS A FOLLOW UP INSPECTION
- FOLLOW UP INSPECTION REQUIRED
- NO FOLLOW UP INSPECTION REQUIRED
- INSPECTOR REQUESTS FORM 42 WHEN CORRECTIVE ACTIONS ARE COMPLETED

**Contact Information:**

| Contact Name      | Phone        | Email                        | Comment |
|-------------------|--------------|------------------------------|---------|
| LEONARD, MIKE     |              | mike.leonard@state.co.us     |         |
| ELLSWORTH, STUART |              | stuart.ellsworth@state.co.us |         |
| Kuenzler, Zane    | 720-261-2019 | zanekuenzler@kfrcorp.com     |         |

**Compliance Summary:**

|                     |                |                 |                   |
|---------------------|----------------|-----------------|-------------------|
| QtrQtr: <u>SENE</u> | Sec: <u>36</u> | Twp: <u>12S</u> | Range: <u>46W</u> |
|---------------------|----------------|-----------------|-------------------|

| Insp. Date | Doc Num   | Insp. Type | Insp Status | Satisfactory /Unsatisfactory | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|------------------------------|----------|----------------|-----------------|
| 06/05/2013 | 668600885 | DG         | WK          | Satisfactory                 |          |                | No              |

**Inspector Comment:**

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

**Related Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num   | Facility Name | Insp Status                            |
|-------------|------|--------|-------------|------------|-----------|---------------|--|
| 431256      | WELL | DG     | 05/01/2013  | DA         | 017-07736 | Shady Lady 1  | WK <input checked="" type="checkbox"/> |

**Equipment:**

Location Inventory

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

**Location**

**Lease Road:**

| Type   | Satisfactory/Unsatisfactory | comment                    | Corrective Action | Date |
|--------|-----------------------------|----------------------------|-------------------|------|
| Access | Satisfactory                | DIRT ROAD THROUGH PASTURE. |                   |      |

| <b>Signs/Marker:</b> |                             |                   |                                       |            |
|----------------------|-----------------------------|-------------------|---------------------------------------|------------|
| Type                 | Satisfactory/Unsatisfactory | Comment           | Corrective Action                     | CA Date    |
| WELLHEAD             | Unsatisfactory              | NO LEASE SIGN     | Install sign to comply with rule 210. | 03/17/2014 |
| DRILLING/RECOMP      | Satisfactory                | RIG SIGN BY ROAD. |                                       |            |

Emergency Contact Number: (S/U/V) \_\_\_\_\_ Corrective Date: \_\_\_\_\_

Comment: \_\_\_\_\_

Corrective Action: \_\_\_\_\_

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

| <b>Fencing/:</b> |                             |                             |                   |         |
|------------------|-----------------------------|-----------------------------|-------------------|---------|
| Type             | Satisfactory/Unsatisfactory | Comment                     | Corrective Action | CA Date |
| OTHER            | Satisfactory                | WIRE PANELS AROUND CATHOTIC |                   |         |

| <b>Equipment:</b>   |   |                             |                                   |                   |         |
|---------------------|---|-----------------------------|-----------------------------------|-------------------|---------|
| Type                | # | Satisfactory/Unsatisfactory | Comment                           | Corrective Action | CA Date |
| Ancillary equipment | 1 | Satisfactory                | SOLAR POWERED CATHOTIC RECTIFIER. |                   |         |

| <b>Venting:</b> |         |  |
|-----------------|---------|--|
| Yes/No          | Comment |  |
|                 |         |  |

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

**Predrill**

Location ID: 431256

**Site Preparation:**

Lease Road Adeq.: \_\_\_\_\_ Pads: \_\_\_\_\_ Soil Stockpile: \_\_\_\_\_

**S/UV:** \_\_\_\_\_

Corrective Action: \_\_\_\_\_ Date: \_\_\_\_\_ CDP Num.: \_\_\_\_\_

**Form 2A COAs:**

| Group | User     | Comment  | Date       |
|-------|----------|--|------------|
| OGLA  | deranleg | 1. Operator must implement site-specific best management practices in accordance with good engineering practices, including, but not limited to, construction of a berm or diversion dike, site grading, or other comparable measures, sufficient to protect the ephemeral streams located approximately 10 feet northeast and 144 feet southwest of the oil and gas location from a release of drilling, completion, produced fluids, and chemical products.<br>2. Operator shall implement stormwater best management practices to prevent erosion and sedimentation resulting from pad construction activities from adversely affecting the nearby drainages. | 12/03/2012 |

**S/UV:** \_\_\_\_\_ **Comment:** \_\_\_\_\_

**CA:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Wildlife BMPs:**

**S/UV:** \_\_\_\_\_ **Comment:** \_\_\_\_\_

**CA:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Stormwater:**

**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: 431256 Type: WELL API Number: 017-07736 Status: DG Insp. Status: WK

**Underground Injection Control**

UIC Violation: \_\_\_\_\_

Maximum Injection Pressure: \_\_\_\_\_

UIC Routine

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

TC: Pressure or inches of Hg \_\_\_\_\_ Previous Test Pressure \_\_\_\_\_ Last MIT: \_\_\_\_\_

Brhd: Pressure or inches of Hg \_\_\_\_\_ Previous Test Pressure \_\_\_\_\_ AnnMTReq: \_\_\_\_\_

Comment: \_\_\_\_\_

Method of Injection: \_\_\_\_\_

Test Type: Verification of Repairs Tbg psi: 0 Csg psi: 0 BH psi: \_\_\_\_\_

Insp. Status: Fail Leak Type: Tubing

Comment: **PACKER SET IN WRONG SPOT, RESET PACKER. MIRU PROSTIM, LOAD CASING W/18BBL WATER, PRESSURE CASING TO 410 PSIG, LOAST 60# A MINUTE TO UNDER 300#, TRIED SEVERAL TIMES. WILL POOH W/PACKER.**

**Workover**

Comment: **CODELL RIG #2 ON LOCATION, TRIPPING TUBING AND PACKER.**

**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 \_\_\_\_\_ Well Release on Active Location  Multi-Well Location

|                     |                 |                         |                       |               |                          |         |
|---------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| <b>Storm Water:</b> |                 |                         |                       |               |                          |         |
| Loc Erosion BMPs    | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
| Compaction          |                 | Compaction              | Pass                  |               |                          |         |

S/U/V: Satisfactory                      Corrective Date: \_\_\_\_\_

Comment: \_\_\_\_\_

CA: \_\_\_\_\_

**Pits:**     NO SURFACE INDICATION OF PIT

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Pit Type: Reserve                      Lined: NO                      Pit ID: \_\_\_\_\_                      Lat: 38.964250                      Long: -102.502330

**Lining:**  
 Liner Type: \_\_\_\_\_                      Liner Condition: \_\_\_\_\_  
 Comment: PIT IS OPEN AND DRYING, CLOSE PIT A.S.A.P.

**Fencing:**  
 Fencing Type: \_\_\_\_\_                      Fencing Condition: \_\_\_\_\_  
 Comment: \_\_\_\_\_

**Netting:**  
 Netting Type: \_\_\_\_\_                      Netting Condition: \_\_\_\_\_  
 Comment: \_\_\_\_\_

Anchor Trench Present: \_\_\_\_\_                      Oil Accumulation: \_\_\_\_\_                      2+ feet Freeboard: \_\_\_\_\_

Pit (S/U/V): \_\_\_\_\_                      Comment: \_\_\_\_\_

Corrective Action: \_\_\_\_\_                      Date: \_\_\_\_\_

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Pit Type: Water Fresh                      Lined: YES                      Pit ID: \_\_\_\_\_                      Lat: 38.964080                      Long: -102.502240

**Lining:**  
 Liner Type: Plastic                      Liner Condition: \_\_\_\_\_  
 Comment: LINER IS PARTIALLY IN PIT, PIT IS DRY. CLOSE PIT A.S.A.P.

**Fencing:**  
 Fencing Type: \_\_\_\_\_                      Fencing Condition: \_\_\_\_\_  
 Comment: \_\_\_\_\_

**Netting:**  
 Netting Type: \_\_\_\_\_                      Netting Condition: \_\_\_\_\_  
 Comment: \_\_\_\_\_

Anchor Trench Present: \_\_\_\_\_                      Oil Accumulation: \_\_\_\_\_                      2+ feet Freeboard: \_\_\_\_\_

Pit (S/U/V): \_\_\_\_\_                      Comment: \_\_\_\_\_

Corrective Action: \_\_\_\_\_                      Date: \_\_\_\_\_