

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:
12/31/2013

Document Number:
674100166

Overall Inspection:
Satisfactory

FIELD INSPECTION FORM

| | | | | | |
|---------------------|---------------|---------------|-------------------------|--------------------|--------------------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | <input type="checkbox"/> |
| | <u>432948</u> | <u>432945</u> | <u>Rickard, Jeffrey</u> | 2A Doc Num: | |

Operator Information:

OGCC Operator Number: _____

Name of Operator: SUNDANCE ENERGY INC

Address: 633 17TH STREET #1950

City: DENVER State: CO Zip: 80202

- 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 |
|---------------|--------------|----------------------------|---------|
| Murray, Brett | 303-543-5702 | bmurray@sundanceenergy.net | |

Compliance Summary:

QtrQtr: NWNW Sec: 28 Twp: 4N Range: 68W

| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Unsatisfactory | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|------------------------------|----------|----------------|-----------------|
| 07/25/2013 | 665400653 | | | Unsatisfactory | | | No |
| 07/24/2013 | 665400651 | XX | XX | Satisfactory | | | No |

Inspector Comment:

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status | |
|-------------|------|--------|-------------|------------|-----------|---------------|-------------|-------------------------------------|
| 432946 | WELL | PR | 10/13/2013 | OW | 123-37370 | Hornung 21-28 | PR | <input checked="" type="checkbox"/> |
| 432948 | WELL | PR | 10/13/2013 | OW | 123-37371 | Hornung 11-28 | PR | <input checked="" type="checkbox"/> |
| 433029 | WELL | DG | 07/27/2013 | | 123-37427 | Hornung 52-28 | PR | <input checked="" type="checkbox"/> |

Equipment:

Location Inventory

| | | | |
|------------------------------|------------------------|---------------------|-------------------------|
| Special Purpose Pits: _____ | Drilling Pits: _____ | Wells: <u>3</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 |
| TANK LABELS/PLACARDS | Satisfactory | | | |
| TANK LABELS/PLACARDS | Satisfactory | | | |
| WELLHEAD | Satisfactory | | | |

Emergency Contact Number: (S/U/V) Satisfactory Corrective Date: _____

Comment: _____

Corrective Action: _____

| Good Housekeeping: | | | | |
|---------------------------|-----------------------------|---|--------------------------|------------|
| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| UNUSED EQUIPMENT | Unsatisfactory | Piping and joints on ground between seperators and ECD. | Remove unused equipment. | 06/30/2014 |

Spills:

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

| Fencing/: | | | | |
|------------------|-----------------------------|--------------------------------|-------------------|---------|
| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| WELLHEAD | Satisfactory | Steel Panel on all 3 wellheads | | |

| Equipment: | | | | | |
|-----------------------------|---|-----------------------------|---------|-------------------|---------|
| Type | # | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| Emission Control Device | 1 | Satisfactory | | | |
| Gas Meter Run | 2 | Satisfactory | | | |
| Flow Line | 3 | Satisfactory | | | |
| Horizontal Heated Separator | 2 | Satisfactory | | | |
| Bird Protectors | 3 | Satisfactory | | | |
| Plunger Lift | 3 | Satisfactory | | | |

| | | | | |
|--------------------|----------------------|-----------------------------------|----------------|---|
| Facilities: | | <input type="checkbox"/> New Tank | Tank ID: _____ | |
| Contents | # | Capacity | Type | SE GPS |
| PRODUCED WATER | 1 | OTHER | PBV FIBERGLASS | 40.291090,-105.017170 |
| S/U/V: | Unsatisfactory | | Comment: | No capacity label on produced water tank. |
| Corrective Action: | Label tank capacity. | | | Corrective Date: 03/31/2014 |

Paint

| | |
|------------------|----------|
| Condition | Adequate |
| Other (Content) | _____ |
| Other (Capacity) | _____ |
| Other (Type) | _____ |

Berms

| 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 |
| CRUDE OIL | 3 | 300 BBLS | STEEL AST | 40.291090,-105.017170 |
| 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 |
|-------------------|----------|---------------------|---------------------|-----------------|
| Metal | Adequate | Walls Sufficient | 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: 432948

Site Preparation:

Lease Road Adeq.: _____ Pads: _____ Soil Stockpile: _____

S/U/V: _____

Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:

S/U/V: _____ **Comment:** _____

CA: _____ **Date:** _____

Wildlife BMPs:

S/U/V: _____ **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: 432946 Type: WELL API Number: 123-37370 Status: PR Insp. Status: PR

Producing Well

Comment: **PR**

Facility ID: 432948 Type: WELL API Number: 123-37371 Status: PR Insp. Status: PR

Producing Well

Comment: **PR**

Facility ID: 433029 Type: WELL API Number: 123-37427 Status: DG 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:

Complaint:

| Tracking Num | Category | Assigned To | Description | Incident Date |
|--------------|----------|---------------|----------------------|---------------|
| 200384511 | OTHER | ASH, MARGARET | SEE DOCUMENT 2369020 | 08/06/2013 |

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: IMPROVED PASTURE
 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? Pass CM _____
 CA _____ CA Date _____

1003b. Area no longer in use? In Production areas stabilized ? Pass
 1003c. Compacted areas have been cross ripped? In

Inspector Name: Rickard, Jeffrey

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

RESTORATION AND REVEGETATION

Cropland

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

Non-Cropland

Top soil replaced Pass Recontoured In 80% Revegetation In

1003 f. Weeds Noxious weeds? I

Comment: _____

Overall Interim Reclamation In Process

Final Reclamation/ Abandoned Location:

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

Final Land Use: IMPROVED PASTURE

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

Storm Water:

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|-------------------|
| Gravel | Pass | | | | | |
| Other | Pass | | | | | Veichle Track Pad |
| Waddles | Pass | | | | | |
| Compaction | Pass | | | | | |
| Silt Fences | Pass | | | | | |
| Slope Roughening | Pass | | | | | |

S/U/V: Satisfactory Corrective Date: _____

Comment: _____

CA: _____

Pits: NO SURFACE INDICATION OF PIT