

**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:

06/04/2014

Document Number:

674600465

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

| | | | | |
|---------------------|-------------|--------|-----------------|---|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection <input type="checkbox"/> |
| | 209009 | 322115 | Maclaren, Joe | 2A Doc Num: _____ |

Operator Information:OGCC Operator Number: 10343Name of Operator: QEP ENERGY COMPANYAddress: 1050 17TH STREET - SUITE 500City: DENVER State: CO Zip: 80265

- ☐ 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 |
|---------------|-----------------------------------|-------------------------|-----------------------------|
| Maez, Leonard | (970) 564-1699/ (806) 435-0529 | leonard.maez@qepres.com | Production Foreman (Cortez) |

Compliance Summary:QtrQtr: SWNW Sec: 7 Twp: 38N Range: 19W

| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Action Required | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|-------------------------------|----------|----------------|-----------------|
| 04/17/2012 | 664000483 | PR | PR | ACTION REQUIRED | P | | No |
| 08/13/2010 | 200274606 | PR | PR | SATISFACTOR Y | | | No |

Inspector Comment:

The 2000 bbl water tank has been replaced by (4) 400 bbl water tanks at the battery since the last inspection #664000483 performed on 04/17/2012. The heater treaters currently have proper signage and meet rule 210d requirements. The signage has been added indicating the wells being serviced by the tank battery, however is located at the front of well pad. Weed control efforts are apparent but will require a consistent effort. There is still no berming in place around the heater treaters as listed as an action required item on the last inspection. Secondary containment has been added under the methanol drums. Berm around pit/ open top tank requires maintenance. Equipment is being stored in the center of location that needs to be removed if no longer needed. Pictures Uploaded.

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|----------------|--|
| 105813 | PIT | | 09/23/1999 | | - | ? | <input type="checkbox"/> |
| 209009 | WELL | PR | 03/22/2010 | OG | 033-06114 | ISLAND BUTTE 2 | PR <input checked="" type="checkbox"/> |

Equipment:Location Inventory

| | | | |
|------------------------------|------------------------|---------------------|-------------------------|
| Special Purpose Pits: _____ | Drilling Pits: _____ | Wells: _____ | 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

Inspector Name: Maclaren, Joe

| Signs/Marker: | | | | |
|----------------------|------------------------------|--|-------------------|---------|
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| BATTERY | | INSTALL SIGN AT BATTERY THAT INDICATES WHAT WELLS ARE SERVED BY THIS FACILITY. | | |

Emergency Contact Number (S/A/V): SATISFACTORY

Corrective Date: _____

Comment: _____

Corrective Action: _____

| Good Housekeeping: | | | | |
|---------------------------|------------------------------|---|---|---------|
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| UNUSED EQUIPMENT | | EQUIPMENT BEING STORED IN CENTER OF WELL PAD. | REMOVE EQUIPMENT/ SUPPLIES IF NO LONGER IN USE. | |

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

| Equipment: | | | | | |
|-------------------|---|------------------------------|---------|-------------------|---------|
| Type | # | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| | | | | | |

| Facilities: | | | | | |
|-----------------------------------|---|----------------|------|------------------|--|
| <input type="checkbox"/> New Tank | | Tank ID: _____ | | | |
| Contents | # | Capacity | Type | SE GPS | |
| | | | | | |
| S/A/V: | | Comment: | | | |
| Corrective Action: | | | | Corrective Date: | |

| Paint | |
|------------------|--|
| Condition | |
| Other (Content) | |
| Other (Capacity) | |
| Other (Type) | |

| Berms | | | | |
|-------------------|--|---------------------|---------------------|----------------------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| | Inadequate | | | |
| Corrective Action | INSTALL BERMS AROUND TREATERS AND EQUIPMENT CONTAINING LIQUID HYDROCARBONS | | | Corrective Date 08/11/2014 |
| Comment | | | | |

Inspector Name: Maclaren, Joe

| | | | | |
|--------------------|---|-----------------------------------|------------------|--------|
| Facilities: | | <input type="checkbox"/> New Tank | Tank ID: _____ | |
| Contents | # | Capacity | Type | SE GPS |
| | | | | |
| S/A/V: | | | Comment: | |
| Corrective Action: | | | Corrective Date: | |

Paint

| | |
|-----------|--|
| Condition | |
|-----------|--|

Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

| | | | | |
|-------|------------|---------------------|---------------------|-------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Earth | Inadequate | Walls Sufficient | Base Sufficient | Inadequate |

| | | | |
|-------------------|--|-----------------|------------|
| Corrective Action | BERM AROUND PIT/ OPEN TOP TANK NEEDS TO BE MAINTAINED. WALLS NEED TO BE RE-ESTABLISHED ON SEVERAL SIDES. | Corrective Date | 08/11/2014 |
|-------------------|--|-----------------|------------|

| | |
|---------|--|
| Comment | |
|---------|--|

| | | | | |
|--------------------|--------------|-----------------------------------|------------------|---|
| Facilities: | | <input type="checkbox"/> New Tank | Tank ID: _____ | |
| Contents | # | Capacity | Type | SE GPS |
| PRODUCED WATER | 4 | 400 BBLS | STEEL AST | |
| S/A/V: | SATISFACTORY | | Comment: | The 2000 bbl tank has been replaced by (4) 400 bbl tanks. |
| 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 | |
|---------|--|

| | | |
|-----------------|---------|--|
| Venting: | | |
| Yes/No | Comment | |
| | | |

| | | | | |
|-----------------|------------------------------|---------|-------------------|---------|
| Flaring: | | | | |
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| | | | | |

Predrill

Location ID: 209009

Site Preparation:

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

S/A/V: _____

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

Form 2A COAs:**S/A/V:** _____ **Comment:** _____**CA:** _____ **Date:** _____**Wildlife BMPs:****S/A/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: 209009 Type: WELL API Number: 033-06114 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 _____

Inspector Name: Maclaren, Joe

Proximity to Surface Water: _____

Depth to Ground Water: _____

Water Well:

DWR Receipt Num: _____ Owner Name: _____ GPS : _____ Lat _____ Long _____

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: _____

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? _____

Inspector Name: Maclaren, Joe

Comment: _____

Overall Interim Reclamation Pass

Final Reclamation/ Abandoned Location:

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

Final Land Use: _____

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 Pass 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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| | | | | | | |

S/A/V: SATISFACTOR _____ Corrective Date: _____

Y _____

Comment: _____

CA: _____

Pits: ☐ NO SURFACE INDICATION OF PIT

Attached Documents

You can go to COGCC Images (<https://cogcc.state.co.us/weblink/>) and search by document number:

| Document Num | Description | URL |
|--------------|---|---|
| 674600465 | INSPECTION APPROVED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3359027 |
| 674600490 | Equipment being stored on location | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3359024 |
| 674600491 | Berm around open top tank requiring maintenance | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3359025 |
| 674600492 | Treater requiring berming/ spill prevention BMP's | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3359026 |