

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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Inspection Date:
09/11/2014

Document Number:
673900497

Overall Inspection:
SATISFACTORY

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>430129</u>	<u>430128</u>	<u>Rains, Bill</u>	<input type="checkbox"/>	

Operator Information:

OGCC Operator Number:	<u>8960</u>
Name of Operator:	<u>BONANZA CREEK ENERGY OPERATING COMPANY</u>
Address:	<u>410 17TH STREET SUITE #1400</u>
City:	<u>DENVER</u> State: <u>CO</u> Zip: <u>80202</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
Jones, Allen		jaj@bonanzacrk.com	send all Insp. to Allen

Compliance Summary:

QtrQtr: SESW Sec: 20 Twp: 5N Range: 62W

Inspector Comment:

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
430129	WELL	PR	02/05/2013	OW	123-36056	Antelope J-F-20HZ	PR	<input checked="" type="checkbox"/>
430161	WELL	PR	03/15/2013	OW	123-36063	Antelope O-K-20HZ	PR	<input checked="" type="checkbox"/>
436063	WELL	DG	04/24/2014	LO	123-38909	Antelope O34-K31-20HNC	PR	<input checked="" type="checkbox"/>
436064	WELL	DG	07/07/2014	LO	123-38910	Antelope 24-21-20HC	PR	<input checked="" type="checkbox"/>

Equipment:

Location Inventory

Special Purpose Pits: <u> </u>	Drilling Pits: <u> </u>	Wells: <u>7</u>	Production Pits: <u> </u>
Condensate Tanks: <u>4</u>	Water Tanks: <u>7</u>	Separators: <u>7</u>	Electric Motors: <u>13</u>
Gas or Diesel Mortors: <u>7</u>	Cavity Pumps: <u> </u>	LACT Unit: <u>2</u>	Pump Jacks: <u>7</u>
Electric Generators: <u>4</u>	Gas Pipeline: <u>1</u>	Oil Pipeline: <u> </u>	Water Pipeline: <u> </u>
Gas Compressors: <u>10</u>	VOC Combustor: <u>8</u>	Oil Tanks: <u>25</u>	Dehydrator Units: <u>1</u>
Multi-Well Pits: <u> </u>	Pigging Station: <u>1</u>	Flare: <u>1</u>	Fuel Tanks: <u> </u>

Location

Signs/Marker:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
TANK LABELS/PLACARDS	SATISFACTORY			

Inspector Name: Rains, Bill

WELLHEAD	ACTION REQUIRED	SIGNS MISSING FOR API# 05-123-38910 AND 05-123-38909	Install sign to comply with rule 210.	09/25/2014
BATTERY	SATISFACTORY			
CONTAINERS	SATISFACTORY			

Emergency Contact Number (S/A/V): SATISFACTORY Corrective Date: _____

Comment: _____

Corrective Action: _____

Spills:

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

Fencing/:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
LOCATION	SATISFACTORY			

Equipment:

Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Vertical Separator	1	SATISFACTORY			
Bird Protectors	8	SATISFACTORY			
Gas Meter Run	7	SATISFACTORY			
Compressor	2	SATISFACTORY			
Ancillary equipment	2	SATISFACTORY	CHEM PUMP AND OIL TANK		
Horizontal Heated Separator	4	SATISFACTORY			
Plunger Lift	4	SATISFACTORY			
VRU	2	SATISFACTORY			
Emission Control Device	4	SATISFACTORY			

Facilities:		<input type="checkbox"/> New Tank	Tank ID: _____	
Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	2	<100 BBLS	BV CONCRETE	,
S/A/V:	SATISFACTORY		Comment:	
Corrective Action:				Corrective Date:
<u>Paint</u>				
Condition				
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
PRODUCED WATER	2	300 BBLS	STEEL AST	,
S/A/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"/> Old Tank <input checked="" type="checkbox"/> New Tank		Tank ID: _____		
Contents	#	Capacity	Type	SE GPS
CRUDE OIL	10	400 BBLS	STEEL AST	40.378870,-104.352120
S/AV:	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/Action Required	Comment	Corrective Action	CA Date

Predrill

Location ID: 430129

Site Preparation:

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

S/AV: _____

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

Form 2A COAs:

S/AV: _____ **Comment:** _____

CA: _____ **Date:** _____

Wildlife BMPs:

BMP Type	Comment
Construction	<p>The following procedure describes BCEI standard construction practices for setting a partially buried pre-cast cement water vault and new tank battery construction.</p> <ol style="list-style-type: none"> 1) The excavation will first be lined with 4" of clay or other low permeability soil. 2) A 30 mil liner will be installed on top of the low permeability soil. The 30 mil liner will be a contiguous liner which will underlay the entire tank battery. 3) The tank battery / water vault liner will be keyed into a galvanized steel containment ring installed surrounding the tank battery. 4) Sand bedding will be installed to protect the synthetic liner prior to placing equipment in the containment area.

Construction

Bonanza Creek Energy, Inc.
 Bonanza Creek Energy Operating Company, LLC
 Temporary Large Volume Storage Tank (TLVST) Best Management Practices (BMPs)
 COGCC Rules 604.a and 605.a (2,3,5,6,7, and 8), as applicable to tank setbacks at the
 time of installation shall apply to the siting of TVLSTs.
 Signs shall be posted on each TLVST to indicate contents are freshwater and that no
 E&P Waste fluids are allowed. Location and additional signage shall conform to Rule
 210.
 TLVSTs may only be utilized for the storage of freshwater. E&P wastes, including
 produced water, treated E&P wastes, and flowback from hydraulic fracturing operations
 will not be allowed.
 TLVSTs shall not be located on non-engineered fill material. Subgrade preparation shall
 be verified by proof-rolling prior to TLVST installation.
 All TLVST liners seams shall be welded at the liner manufacturer's facility. Field
 welded liners shall not be used. Liners shall not be reused.
 Bonanza will develop a Contingency Plan specific to the location for any LVST leak or
 catastrophic failure of the tank integrity and resulting loss of fluid. The plan includes a
 notification process to the COGCC and local Emergency authority (municipality, county,
 or both) for any failure resulting in loss of fluid.
 A minimum of 1 foot of freeboard will be maintained in all TLVSTs.
 Should a failure of TLVST integrity occur, Bonanza will notify COGCC upon discovery,
 report the incident to COGCC on a Form 22-Accident Report within 10 days of
 discovery, and conduct a root cause analysis. The results of the root cause analysis will
 be reported to COGCC on a Sundry-Form 4 within 30 days of discovery of the failure.
 TLVSTs will be constructed and operated in accordance with a design certified by a
 Colorado Licensed Professional Engineer.
 Once in operation, TLVSTs will be inspected daily and any deficiencies repaired as soon
 as practicable.
 Access to the tanks shall be limited to operational personnel.
 Bonanza will use only TLVSTs supplied by Rockwater or other contractors that are
 knowingly complying with COGCC inspection, maintenance, and record keeping
 policies.

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: 430129 Type: WELL API Number: 123-36056 Status: PR Insp. Status: PR

Producing Well

Comment: PR

Facility ID: 430161 Type: WELL API Number: 123-36063 Status: PR Insp. Status: PR

Producing Well

Comment: PR

Facility ID: 436063 Type: WELL API Number: 123-38909 Status: DG Insp. Status: PR

Producing Well

Comment: PR

Facility ID: 436064 Type: WELL API Number: 123-38910 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:

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

Field Parameters:

Sample Location: _____

Emission Control Burner (ECB): Y

Comment: _____
Pilot: ON Wildlife Protection Devices (fired vessels): YES

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? 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? _____ CM _____

CA _____ CA Date _____

1003b. Area no longer in use? Pass Production areas stabilized? Pass

1003c. Compacted areas have been cross ripped? _____

1003d. Drilling pit closed? Pass 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? Pass 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 _____

1003 f. Weeds Noxious weeds? _____

Comment: _____

Overall Interim Reclamation In Process

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

Inspector Name: Rains, Bill

Storm Water:						
Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Gravel	Pass	Gravel	Pass	MHSP	Pass	

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

Comment: _____

CA: _____

Pits: NO SURFACE INDICATION OF PIT