

**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:  
09/25/2014Document Number:  
668900227Overall Inspection:  
SATISFACTORY**FIELD INSPECTION FORM**

|                     |             |        |                 |                          |             |
|---------------------|-------------|--------|-----------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection       | 2A Doc Num: |
|                     | 413316      | 413318 | Welsh, Brian    | <input type="checkbox"/> |             |

**Operator Information:**OGCC Operator Number: 10234Name of Operator: BAYHORSE PETROLEUM LLCAddress: 2558 E PORTSMOUTH AVENUECity: SALT LAKE CITY State: UT Zip: 84121

- ☐ 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 |
|-------------------|--------------|------------------|---------|
| Manikowski, Larry | 801-942-5512 | lfmanski@aol.com |         |

**Compliance Summary:**QtrQtr: NWNE Sec: 28 Twp: 18S Range: 47W

| Insp. Date | Doc Num   | Insp. Type | Insp Status | Satisfactory /Action Required | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|-------------------------------|----------|----------------|-----------------|
| 08/06/2013 | 668601199 | PR         | PR          | SATISFACTORY                  |          |                | No              |
| 08/22/2012 | 663901558 | PR         | PR          | SATISFACTORY                  | P        |                | No              |
| 06/26/2012 | 664000665 | PR         | PR          | SATISFACTORY                  | I        |                | No              |
| 05/03/2012 | 664000541 | PR         | PR          | SATISFACTORY                  | P        |                | No              |
| 05/12/2010 | 200248706 | PR         | PR          | SATISFACTORY                  |          |                | No              |
| 12/01/2009 | 200223309 | PR         | PR          | SATISFACTORY                  |          |                | No              |
| 11/10/2009 | 200222136 | PR         | WO          | SATISFACTORY                  |          |                | No              |
| 10/01/2009 | 200220151 | OI         | ND          | SATISFACTORY                  |          |                | No              |

**Inspector Comment:****Related Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num   | Facility Name    | Insp Status |                                     |
|-------------|------|--------|-------------|------------|-----------|------------------|-------------|-------------------------------------|
| 413316      | WELL | PR     | 08/30/2013  | OW         | 061-06838 | TRADE WINDS 1-28 | PR          | <input checked="" type="checkbox"/> |

**Equipment:****Location Inventory**

|                              |                         |                      |                           |
|------------------------------|-------------------------|----------------------|---------------------------|
| Special Purpose Pits: _____  | Drilling Pits: <u>3</u> | Wells: <u>1</u>      | Production Pits: _____    |
| Condensate Tanks: _____      | Water Tanks: <u>1</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>3</u>  | Dehydrator Units: _____   |
| Multi-Well Pits: _____       | Pigging Station: _____  | Flare: _____         | Fuel Tanks: _____         |

| Location   |                              |   |   |                   |         |
|--|------------------------------|---|---|-------------------|---------|
| <b>Lease Road:</b>                                     |                              |   |   |                   |         |
| Type   | Satisfactory/Action Required | comment   | Corrective Action   | Date              |         |
| Access   | SATISFACTORY                 | GRAVEL ROAD<br>OFF OF CO HWY 96   |   |                   |         |
| <b>Signs/Marker:</b>                                   |                              |   |   |                   |         |
| Type   | Satisfactory/Action Required | Comment   | Corrective Action   | CA Date           |         |
| OTHER  | SATISFACTORY                 | H2S SIGN AND<br>LEASE SIGN AT<br>ENTRANCE   |   |                   |         |
| BATTERY  | SATISFACTORY                 | METAL SIGN BY<br>STAIRS   |   |                   |         |
| CONTAINERS   | SATISFACTORY                 | STICKERS ON<br>CHEMICAL DRUMS<br>AND TREATER  |   |                   |         |
| TANK<br>LABELS/PLACARDS                                | SATISFACTORY                 | METAL SIGNS AT<br>TANKS   |   |                   |         |
| Emergency Contact Number (S/A/V): SATISFACTORY         |                              |   | Corrective Date: _____  |                   |         |
| Comment: _____   |                              |   |   |                   |         |
| Corrective Action: _____                               |                              |   |   |                   |         |
| <b>Good Housekeeping:</b>                              |                              |   |   |                   |         |
| Type   | Satisfactory/Action Required | Comment   | Corrective Action   | CA Date           |         |
| STORAGE OF SUPL  | SATISFACTORY                 | UNUSED EQUIP<br>AND SUPPLIES<br>NEATLY STORED<br>NORTH OF TANKS<br>AROUND<br>STORAGE<br>CONTAINER |   |                   |         |
| <b>Spills:</b>   |                              |   |   |                   |         |
| Type   | Area                         | Volume  | Corrective action   | CA Date           |         |
| <input type="checkbox"/> Multiple Spills and Releases? |                              |   |   |                   |         |
| <b>Fencing/:</b>                                       |                              |   |   |                   |         |
| Type   | Satisfactory/Action Required | Comment   | Corrective Action   | CA Date           |         |
| LOCATION   | SATISFACTORY                 | LOCATION FENCED<br>WITH WIRE  |   |                   |         |
| <b>Equipment:</b>                                      |                              |   |   |                   |         |
| Type   | #                            | Satisfactory/Action Required  | Comment   | Corrective Action | CA Date |
| Ancillary equipment                                    | 6                            | SATISFACTORY  | GAS<br>SCRUBBER, DAY<br>TANK AND<br>3-CHEMICAL<br>TANKS<br>W/CONTAINMENTS<br>, PROPANE TANK<br>BY TREATER |                   |         |

Inspector Name: Welsh, Brian

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

|                 |                              |                               |                   |         |
|-----------------|------------------------------|-------------------------------|-------------------|---------|
| <b>Flaring:</b> |                              |                               |                   |         |
| Type            | Satisfactory/Action Required | Comment                       | Corrective Action | CA Date |
| Field Flare     | SATISFACTORY                 | NOT FLARING DURING INSPECTION |                   |         |

**Predrill**

Location ID: 413316

**Site Preparation:**

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

**S/A/V:** \_\_\_\_\_

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

**Form 2A COAs:**

| Group  | User     | Comment  | Date       |
|--------|----------|--|------------|
| Agency | ahlstrad | The surface owner, LGD and operator have signed appeals waivers per Rule 305.d(1). See attached. | 10/06/2009 |

**S/A/V:** \_\_\_\_\_ **Comment:** \_\_\_\_\_

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

**Wildlife BMPs:**

| BMP Type      | Comment  |
|---------------|--|
| PROPOSED BMPs | <p>BEST MANAGEMENT PRACTICES</p> <p>1) Bayhorse Petroleum will only use such land as necessary for said drilling, completion and production operations. The access road and well pad size will be kept to the minimum that is needed, without compromising safety.</p> <p>2) Bayhorse Petroleum will make every reasonable effort to minimize the impact of all equipment associated with this well. Dust disturbances will be kept at a minimum via access road and pad water sprinkling, to ensure the safety of the highway visibility. We will ensure garbage /mud sacks, etc. be stored in a caged container during drilling operations to prevent any materials from being blown offsite.</p> <p>3) Bayhorse Petroleum will minimize adverse visual contrast by utilizing an appropriate color selection for completion equipment to blend in with the background and natural surroundings.</p> <p>4) Bayhorse Petroleum will locate tank batteries at a safe location away from the highway and pump jack. Containment berms will be constructed around water and oil tanks.</p> <p>5) At the end of drilling operations, Bayhorse Petroleum will restore the surface on unused lands as close to the original contour as possible. We will segregate the topsoil during the initial grading of the well site and re-spread it at the surface at the conclusion of operations. We will re-establish native vegetation on the ingress /regress access area, in the case of a dry hole. The actual drill site is on cropland, which will be re-plowed for new crops next season, in the case of a dry hole.</p> |

**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:**

Inspector Name: Welsh, Brian

|  |                                      |
|--|--------------------------------------|
| Landman Name: _____  | Phone Number: _____                  |
| Date Onsite Request Received: _____  | Date of Rule 306 Consultation: _____ |
| Request LGD Attendance: _____  |                                      |
| <u>LGD Contact Information:</u>  |                                      |
| Name: _____  | Phone Number: _____                  |
| Agreed to Attend: _____  |                                      |
| <u>Summary of Landowner Issues:</u>  |                                      |
|  |                                      |
| <u>Summary of Operator Response to Landowner Issues:</u>                                 |                                      |
|  |                                      |
| <u>Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:</u> |                                      |
|  |                                      |

### Facility

Facility ID: 413316    Type: WELL    API Number: 061-06838    Status: PR    Insp. Status: PR

### Producing Well

Comment: PRODUCING

### 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): \_\_\_\_\_

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

Pilot: \_\_\_\_\_ Wildlife Protection Devices (fired vessels): \_\_\_\_\_

### Reclamation - Storm Water - Pit

#### Interim Reclamation:

Date Interim Reclamation Started: \_\_\_\_\_ Date Interim Reclamation Completed: \_\_\_\_\_

Land Use: DRY LAND

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? Pass  
 Cuttings management: \_\_\_\_\_  
 1003e. Areas no longer needed for drilling or subsequent operations for have been re-vegetated to 80% of pre-existing? Pass  
 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 Pass 80% Revegetation Pass

1003 f. Weeds Noxious weeds? \_\_\_\_\_ P \_\_\_\_\_

Comment: **UNUSED AREAS OF LOCATION ARE FARM GROUND**

Overall Interim Reclamation Pass

**Final Reclamation/ Abandoned Location:**

Date Final Reclamation Started: \_\_\_\_\_ Date Final Reclamation Completed: \_\_\_\_\_

Final Land Use: DRY LAND

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: Welsh, Brian

|   |                 |                         |                       |               |                          |         |
|---|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| <b>Storm Water:</b>   |                 |                         |                       |               |                          |         |
| Loc Erosion BMPs  | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
| Gravel  | Pass            | Gravel                  | Pass                  |               |                          |         |
| Compaction  | Pass            | Compaction              | Pass                  | MHSP          | Pass                     |         |
| S/A/V: SATISFACTOR<br>Y<br>Corrective Date: _____                             |                 |                         |                       |               |                          |         |
| Comment: _____  |                 |                         |                       |               |                          |         |
| CA: _____   |                 |                         |                       |               |                          |         |
| <b>Pits:</b> <input checked="" type="checkbox"/> 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   |
|--------------|---------------------|---|
| 668900227    | INSPECTION APPROVED | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3444433">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3444433</a> |