

**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:

01/20/2015

Document Number:

673502014

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

| | | | | | |
|---------------------|-------------|--------|-----------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | 205603 | 320971 | COSTA, RYAN | <input type="checkbox"/> | |

Operator Information:OGCC Operator Number: 10237Name of Operator: JONES ENERGY LTDAddress: 807 LAS CIMAS PKWY #350City: AUSTIN State: TX Zip: 78746

- ☐ 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 |
|---------------|-------|--------------------------|---------|
| MEYER, BOB | | sbryson@jonesenergy.com | |
| BRYSON, STEVE | | bmeyer@jonesenergy.com | |
| Ramos, Martha | | martha.ramos@state.co.us | |

Compliance Summary:QtrQtr: LOT 18 Sec: 5 Twp: 31S Range: 44W

| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Action Required | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|-------------------------------|----------|----------------|-----------------|
| 08/20/2013 | 668601260 | PA | PA | SATISFACTORY | | I | No |
| 12/01/2010 | 200285527 | SR | PA | ACTION REQUIRED | | | Yes |
| 11/10/2009 | 200222511 | SR | PA | ACTION REQUIRED | F | Fail | Yes |
| 05/11/2009 | 200210247 | CA | SI | SATISFACTORY | | | No |
| 05/11/2009 | 200210253 | SR | PA | ACTION REQUIRED | F | Fail | No |
| 07/08/2008 | 200192190 | RT | SI | ACTION REQUIRED | | | Yes |
| 10/15/2007 | 200120809 | RT | SI | SATISFACTORY | | | No |
| 09/20/2007 | 200119166 | MI | AC | SATISFACTORY | | | No |
| 07/10/2007 | 200114818 | RT | AC | ACTION REQUIRED | | Fail | Yes |
| 07/31/2006 | 200094721 | RT | AC | SATISFACTORY | | Pass | No |
| 08/04/2005 | 200074949 | RT | AC | ACTION REQUIRED | | Fail | Yes |
| 08/09/2004 | 200058069 | RT | AC | SATISFACTORY | | Pass | No |
| 07/30/2003 | 200042192 | RT | AC | SATISFACTORY | | Pass | No |
| 11/18/2002 | 200032070 | MI | AC | SATISFACTORY | | Pass | No |
| 08/10/2002 | 200030172 | RT | SI | ACTION REQUIRED | | Fail | Yes |
| 08/23/2001 | 200019477 | MI | AC | ACTION REQUIRED | | Fail | Yes |
| 12/13/2000 | 200012677 | RT | AC | ACTION REQUIRED | I | Fail | Yes |
| 03/06/2000 | 200005077 | RT | AC | SATISFACTORY | I | Pass | No |
| 02/08/2000 | 200003793 | PR | PR | SATISFACTORY | I | Pass | No |

Inspector Name: COSTA, RYAN

| | | | | | | | |
|------------|-----------|----|----|--|--|------|-----|
| 03/03/1999 | 500135529 | PR | AC | | | Fail | Yes |
| 02/03/1998 | 500135528 | PR | AC | | | Fail | Yes |
| 07/13/1995 | 500135527 | PR | AC | | | Fail | Yes |
| 03/09/1995 | 500135526 | PR | AC | | | Pass | Yes |

Inspector Comment:

RECLAMATION INSPECTION

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status | |
|-------------|------|--------|-------------|------------|-----------|-------------------------------------|-------------|-------------------------------------|
| 205603 | WELL | PA | 02/29/1968 | DSPW | 009-06014 | ROLLINS- RUTHERFORD E 1-5- WD | PA | <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

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

Corrective Date: _____

Comment: _____

Corrective Action: _____

Spills:

| Type | Area | Volume | Corrective action | CA Date |
|------|------|--------|-------------------|---------|
|------|------|--------|-------------------|---------|

☐ Multiple Spills and Releases?

Venting:

| Yes/No | Comment |
|--------|---------|
| | |

Flaring:

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

Predrill

Location ID: 205603

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: 205603 Type: WELL API Number: 009-06014 Status: PA Insp. Status: PA

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 : _____ |
| 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 REVEGETATIONCropland

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: _____

Reminder: _____

Comment: _____

Well plugged _____ Pit mouse/rat holes, cellars backfilled PassDebris removed Pass No disturbance /Location never built _____Access Roads Regraded Pass Contoured Pass Culverts removed PassGravel removed PassLocation and associated production facilities reclaimed Fail Locations, facilities, roads, recontoured PassCompaction alleviation _____ Dust and erosion control FailNon cropland: Revegetated 80% Fail Cropland: perennial forage _____Weeds present Fail Subsidence PassComment: The location is bare of vegetation growth approx. 120'x120'. The access road does not have adequate vegetation and contains weeds (kochia). SEE ATTACHED PHOTOSCorrective Action: Reseed the location and access road and control weed growth. Continue to monitor and manage this site until Final Reclamation has Passed.Date 04/30/2015Overall Final Reclamation FailWell 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: _____ Corrective Date: _____

Comment: _____

CA: _____

Pits: ☐ NO SURFACE INDICATION OF PIT**COGCC Comments**

| Comment | User | Date |
|--|--------|------------|
| Establish vegetation with total perennial non-invasive plant cover of at least eighty (80) percent of pre-disturbance or reference area levels. Use a seed mixture that matches the adjacent pastureland or a seed mixture requested by the landowner. | CostaR | 01/26/2015 |
| Site does not meet the Final Reclamation rules of 1004. Another final reclamation/bond release inspection will not be conducted by COGCC until a form 4 is sent in for this location with the following attachments; 1. An invoice and/or documentation showing that all work has been completed on the site that directly relates to the actions required on this inspection. 2. Photographs of the vegetation in four cardinal directions as well as one close up of the plant community. 3. Vegetation monitoring information conducted by a vegetation expert showing that the vegetation community meets the 80% standard in the rule. 4. Failure to complete the corrective actions as indicated in a prompt manner may result in enforcement actions. | CostaR | 01/26/2015 |

Attached DocumentsYou can go to COGCC Images ([https://cogcc.state.co.us/weblink/](https://cogcc.state.co.us/webblink/)) and search by document number:

Inspector Name: COSTA, RYAN

| Document Num | Description | URL |
|--------------|-------------|---|
| 673502015 | Site Photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3536444 |

ACTION REQUIRED

ANY ACTION REQUIRED items listed on this report indicate that the oil and gas facility or the oil and gas operations listed on the report may be in violation of the rules and regulations of the Colorado Oil and Conservation Commission (“COGCC”) and corrective action is required.

There is reasonable cause to believe that a violation of the Oil and Gas Conservation Act, or of any rule, regulation, or order of the Commission, or of any permit issued by the Commission, has occurred. The Operator’s compliance with this Inspection Report is required to resolve these alleged violations. This document requires the Operator to timely respond to the COGCC and to comply with directives as listed by the **Corrective Action Deadline Date**. Failure to do so will result in the issuance of a Notice of Alleged Violation and initiation of enforcement proceedings in which COGCC will seek monetary penalties for the alleged violations pursuant to § 34-60-121, C.R.S. and Rule 523, COGCC Rules of Practice and Procedure, 2 CCR 404-1. (Please note that the COGCC's penalty authority was recently increased to a maximum of \$15,000 per day and penalties are no longer capped at a maximum of \$10,000 per violation.)