

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
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Inspection Date:
02/19/2015

Document Number:
673801803

Overall Inspection:
SATISFACTORY

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>439027</u>	<u>439027</u>	<u>Gomez, Jason</u>	<input type="checkbox"/>	

Operator Information:

OGCC Operator Number:	<u>10459</u>
Name of Operator:	<u>EXTRACTION OIL & GAS LLC</u>
Address:	<u>1888 SHERMAN ST #200</u>
City:	<u>DENVER</u> State: <u>CO</u> Zip: <u>80203</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
Silva, Jesse	970-396-0421	jsilva@extractionog.com	Operations Manager

Compliance Summary:

QtrQtr: NWSW Sec: 8 Twp: 7N Range: 66W

Inspector Comment:

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
439008	WELL	XX	09/22/2014		123-40252	Thornton 5	XX	<input type="checkbox"/>
439011	WELL	XX	09/22/2014		123-40255	Thornton 2	XX	<input type="checkbox"/>
439012	WELL	DG	12/15/2014		123-40256	Thornton 11	DG	<input checked="" type="checkbox"/>
439013	WELL	XX	09/22/2014		123-40257	Thornton 3	XX	<input type="checkbox"/>
439014	WELL	XX	09/22/2014		123-40258	Thornton 10	XX	<input type="checkbox"/>
439019	WELL	XX	09/22/2014		123-40262	Thornton 7	XX	<input type="checkbox"/>
439021	WELL	DG	12/28/2014		123-40264	Thornton 12	DG	<input checked="" type="checkbox"/>
439023	WELL	XX	09/22/2014		123-40266	Thornton 8	XX	<input type="checkbox"/>
439026	WELL	DG	02/02/2015		123-40269	Thornton 6	DG	<input checked="" type="checkbox"/>
439029	WELL	DG	01/12/2014		123-40271	Thornton 9	DG	<input checked="" type="checkbox"/>
439030	WELL	XX	09/22/2014		123-40272	Thornton 1	XX	<input type="checkbox"/>
439032	WELL	XX	09/22/2014		123-40274	Thornton 4	XX	<input type="checkbox"/>

Equipment:

Location Inventory

Special Purpose Pits: _____	Drilling Pits: _____	Wells: <u>12</u>	Production Pits: _____
Condensate Tanks: _____	Water Tanks: <u>6</u>	Separators: <u>12</u>	Electric Motors: <u>6</u>
Gas or Diesel Mortors: _____	Cavity Pumps: _____	LACT Unit: _____	Pump Jacks: _____
Electric Generators: _____	Gas Pipeline: _____	Oil Pipeline: _____	Water Pipeline: _____
Gas Compressors: _____	VOC Combustor: _____	Oil Tanks: <u>30</u>	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
<input type="checkbox"/> Multiple Spills and Releases?				

Venting:

Yes/No	Comment
NO	

Flaring:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Predrill

Location ID: 439027

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

S/A/V: _____
 Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:

Group	User	Comment	Date
OGLA	andrewsd	Operator will provide an as-built drawing of the production facility once construction is completed via a Form 4 Sundry.	08/29/2014
OGLA	andrewsd	Operator shall provide notice to COGCC 48 hours prior to commencing construction of this Oil and Gas Location via Form 42.	08/20/2014
OGLA	andrewsd	Operator shall submit a Form 4 Sundry Notice with a Waste Management Plan/Land Application Plan that includes a specific location, management and sampling plan prior to drill cuttings disposal. Please see the COGCC Policy on Drill Cuttings Management for the Land Application Plan checklist.	09/22/2014

S/A/V: _____ **Comment:** _____

CA: _____ **Date:** _____

Wildlife BMPs:

BMP Type	Comment
Dust control	Fugitive dust will be controlled by speed restrictions on all neighboring roads, regular road maintenance and repair, and avoiding construction activity during high wind days. If technologically and economically feasible, additional management practices may also be required to minimize fugitive dust as well as to control silica dust while handling sand during frac'ing operations.
Odor mitigation	Extraction will regulate odors in accordance with COGCC Rule 805. The production facilities will have VOC Combustors with emission control devices to comply with the Department of Public Health and Environment, Air Quality Control Commission.
Final Reclamation	Within 90 days subsequent to the time of plugging and abandonment of the entire site, superfluous debris and equipment shall be removed from the site.

<p>Material Handling and Spill Prevention</p>	<p>Leak Detention Plan: Pumper will visit the location daily and visually inspect all tanks and fittings for leaks. Additionally, monthly documented SPCCP inspections are conducted pursuant to 40 CFR 112.</p> <p>Control of fire hazards: All material that is considered a fire hazard shall be a minimum of 25' from the wellhead tanks or separators. Electrical equipment shall comply with API IRP 500 and will comply with the current national electrical code.</p>
<p>General Housekeeping</p>	<p>Visual Impacts: All long term facility structures will be painted a color that enables the facilities to blend in with the natural background color of the landscape, as seen from a viewing distance and location typically used by the public. Maintain appearance with garbage clean-up; a trash bin will be located on site to accumulate waste by the personnel drilling the wells. Site will have unused equipment, trash and junk removed immediately.</p> <p>Trash Removal: All trash, debris and material not intrinsic to the operation of the oil and gas facility shall be removed and legally disposed of as applicable.</p>
<p>Pre-Construction</p>	<p>Anti-Collision: Prior to drilling operations, Operator will perform an anti-collision scan of existing offset wells that have the potential of being within close proximity of the proposed wells. The anti-collision scan may include definitive MWD or gyro surveys of the offset wells with included error of uncertainty per survey instrument, and compared against the proposed well path with its respective error of uncertainty. If current surveys do not exist for the offset wells, operators may have gyro surveys conducted to verify bottom hole location. The proposed well may only be drilled if the anti-collision review results indicate that the risk of collision is sufficiently low as defined by the anti-collision plan, with separation factors greater than 1.5, or if the risk of collision has been mitigated through other means including shutting in wells, plugging wells, increased drilling fluid in the event of lost returns or as is appropriate for the specific situation. In the event of an increased risk of collision, that risk will be mitigated to prevent harm to people, the environment or property. For the proposed well, upon conclusion of drilling operations, an as-constructed directional survey will be submitted to the COGCC with the Form 5.</p> <p>Identification of plugged and abandoned wells will be identified pursuant to 319.a.(5)</p>
<p>Emissions mitigation</p>	<p>Green Completions - Emission Control System: Test separators and associated flow lines and sand traps shall be installed on-site to accommodate green completions techniques pursuant to COGCC Rules. In the anticipated absence of a viable gas sales line, the flowback gas shall be thermally oxidized in an emissions control device (ECD), which will be installed and kept in operable condition for least the first 90-days of production pursuant to CDPHE rules. This ECD shall have an adequate capacity for 1.5 times the largest flowback within a 10 mile radius, will be flanged to route gas to other or permanent oxidizing equipment and shall be provided with the equipment needed to maintain combustions where non-combustible gases are present.</p>
<p>Traffic control</p>	<p>Access Roads: The access road will be constructed to accommodate local emergency vehicles. This road will be maintained for access at all times. Traffic will be routed to minimize local interruption.</p>
<p>Planning</p>	<p>Multi-well Pads are located in a manner which allows for resource extraction while maintaining the highest distances possible from the offsetting residential areas and complies with the wishes of the surface owner.</p> <p>A meeting with the surface owner will determine the fencing plan.</p> <p>Tanks will be designed, constructed and maintained in accordance with NFPA Code 30. The tanks are visually inspected once a day for issues, and recorded inspections are conducted once a month.</p>
<p>Noise mitigation</p>	<p>Sound walls and/or hay bales will be used to surround the well site during drilling operations to shield sensitive areas.</p>
<p>Drilling/Completion Operations</p>	<p>A closed –loop system will be used for drilling operations.</p> <p>Blowout Prevention Equipment (“BOPE”): A double ram and annular preventer will be used during drilling. Stabbing valves shall be installed in the event of reverse circulation and shall be prior tested with low and high pressure fluid.</p> <p>Bradenhead Monitoring: Operator acknowledges and will comply with COGCC Policy for Bradenhead Monitoring during Hydraulic Fracturing Treatments in the Greater Wattenberg Area dated May 29, 2012.</p>

Construction
 Berm Construction- Tanks berms shall be constructed of steel rings with a synthetic or engineered liner and designed to contain 150% of the capacity of the largest tank. All berms will be visually checked periodically to ensure proper working condition. An earthen berm will be built on the southwest side of the location as tertiary containment for the nearby irrigation ditch.

Lighting: Light sources during all phases of operations will be directed downwards and away from occupied structures where possible. Once the drilling and completion rigs leave the site, there will be no permanently installed lighting on site.

The drill site will be powered by electricity, mitigating the majority of noise from drilling operations. Sound walls and/or hay bales will be used to surround the well site during drilling operations.

S/AV: _____ **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: 439012 Type: WELL API Number: 123-40256 Status: DG Insp. Status: DG

Well Drilling

Rig: Rig Name: Flex Rig 280 Pusher/Rig Manager: _____
 Permit Posted: SATISFACTORY Access Sign: SATISFACTORY

Well Control Equipment:

Pipe Ram: YES Blind Ram: YES Hydril Type: YES
 Pressure Test BOP: _____ Test Pressure PSI: _____ Safety Plan: YES

Drill Fluids

Management:

Lined Pit: _____ Unlined Pit: _____ Closed Loop: YES Semi-Closed Loop: _____
 Multi-Well: YES Disposal Location: _____

Comment:

Facility ID: 439021 Type: WELL API Number: 123-40264 Status: DG Insp. Status: DG

Well Drilling

Rig: Rig Name: Flex Rig 280 Pusher/Rig Manager: _____
 Permit Posted: SATISFACTORY Access Sign: SATISFACTORY

Well Control Equipment:

Pipe Ram: YES Blind Ram: YES Hydril Type: YES
 Pressure Test BOP: _____ Test Pressure PSI: _____ Safety Plan: _____
 YES

Drill Fluids

Management:

Lined Pit: _____ Unlined Pit: _____ Closed Loop: YES Semi-Closed Loop: _____
 Multi-Well: YES Disposal Location: _____

Comment:

Facility ID: 439026 Type: WELL API Number: 123-40269 Status: DG Insp. Status: DG

Well Drilling

Rig: Rig Name: Flex Rig 280 Pusher/Rig Manager: _____
 Permit Posted: SATISFACTORY Access Sign: SATISFACTORY

Well Control Equipment:

Pipe Ram: YES Blind Ram: YES Hydril Type: YES
 Pressure Test BOP: _____ Test Pressure PSI: _____ Safety Plan: _____
 YES

Drill Fluids

Management:

Lined Pit: _____ Unlined Pit: _____ Closed Loop: YES Semi-Closed Loop: _____
 Multi-Well: YES Disposal Location: _____

Comment:

Facility ID: 439029 Type: WELL API Number: 123-40271 Status: DG Insp. Status: DG

Well Drilling

Rig: Rig Name: Flex Rig 280 Pusher/Rig Manager: _____
 Permit Posted: SATISFACTORY Access Sign: SATISFACTORY

Well Control Equipment:

Pipe Ram: YES Blind Ram: YES Hydril Type: YES
 Pressure Test BOP: _____ Test Pressure PSI: _____ Safety Plan: _____
 YES

Drill Fluids

Management:

Lined Pit: _____ Unlined Pit: _____ Closed Loop: YES Semi-Closed Loop: _____
 Multi-Well: YES Disposal Location: _____

Comment:

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: _____

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? _____ 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 _____

Inspector Name: Gomez, Jason

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: 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	Culverts	Pass	CM	Pass	
Berms	Pass			MHSP	Pass	

S/A/V: SATISFACTOR Corrective Date: _____

Y

Comment: _____

CA: _____

Pits: NO SURFACE INDICATION OF PIT