

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:
03/03/2015

Document Number:
673502176

Overall Inspection:

ACTION REQUIRED

FIELD INSPECTION FORM

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

Operator Information:

OGCC Operator Number: 10234

Name of Operator: BAYHORSE PETROLEUM LLC

Address: 2558 E PORTSMOUTH AVENUE

City: 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
Manikowsk, Larry F		lfmanski@aol.com	CFO
Vaughn, Rod	435-237-1169/97730	rlvaughn47@gmail.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)
09/25/2014	668900227	PR	PR	SATISFACTORY	P		No
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:

This is an interim reclamation inspection. Any corrective actions from previous inspections that have not been addressed are still applicable.

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

Empty box for equipment or location inventory details.

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

Signs/Marker:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
OTHER	SATISFACTORY			

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

Comment: _____

Corrective Action: _____

Good Housekeeping:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
WEEDS	ACTION REQUIRED	There is tall dead weed debris (russian thistle, kochia) throughout the location. SEE ATTACHED PHOTOS	Control weed growth.	05/31/2015
UNUSED EQUIPMENT	ACTION REQUIRED	Noticed unused equipment around the storage container. SEE ATTACHED PHOTOS	Remove unused equipment.	04/17/2015

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			

Venting:	
Yes/No	Comment

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

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: COSTA, RYAN

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: 413316 Type: WELL API Number: 061-06838 Status: PR Insp. Status: 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): _____
 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? _____ CM _____
 CA _____ CA Date _____
 Waste Material Onsite? _____ CM _____
 CA _____ CA Date _____
 Unused or unneeded equipment onsite? Fail CM Noticed unused equipment around the storage container.

CA Remove unused equipment. CA Date 04/17/2015

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? In Production areas stabilized ? Pass

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? Fail

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 Fail

1003 f. Weeds Noxious weeds? _____

Comment: There is tall dead weed debris (russian thistle, kochia) throughout the location.

Overall Interim Reclamation Fail

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

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

Attached Documents

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

Document Num	Description	URL
673502177	Site Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3570282

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.)