

**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:
04/10/2015Document Number:
670900589

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

| | | | | | |
|---------------------|-------------|--------|-----------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | 206541 | 321259 | Peterson, Tom | <input type="checkbox"/> | |

Operator Information:OGCC Operator Number: 39560Name of Operator: TOP OPERATING COMPANYAddress: 3609 S WADSWORTH BLVD STE 340City: LAKEWOOD State: CO Zip: 80235

- ☒ 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 |
|---------------|--------------|-------------------------------|---------|
| Herring, Paul | 303-727-9915 | paul.herring@topoperating.com | |

Compliance Summary:QtrQtr: NESE Sec: 2 Twp: 1N Range: 69W

| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Action Required | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|-------------------------------|----------|----------------|-----------------|
| 04/22/2014 | 668301241 | PR | SI | ACTION REQUIRED | P | | No |
| 05/20/2010 | 200250861 | PR | PR | ACTION REQUIRED | | | Yes |
| 05/28/2002 | 200026849 | PR | PR | SATISFACTORY | | Pass | No |

Inspector Comment:**Related Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status | |
|-------------|------|--------|-------------|------------|-----------|---------------|-------------|-------------------------------------|
| 206541 | WELL | PR | 04/07/1981 | GW | 013-06036 | TANAKA BROS 1 | PR | <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 Motors: _____ | 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

Inspector Name: Peterson, Tom

| Signs/Marker: | | | | |
|----------------------|------------------------------|--|-------------------|---------|
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| WELLHEAD | SATISFACTORY | | | |
| BATTERY | SATISFACTORY | | | |
| TANK LABELS/PLACARDS | SATISFACTORY | Item noted in prior inspection document #668301241 has been corrected. | | |

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

Corrective Date: _____

Comment: _____

Corrective Action: _____

| Good Housekeeping: | | | | |
|---------------------------|------------------------------|---|----------------------------|------------|
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| UNUSED EQUIPMENT | ACTION REQUIRED | Unused square tube fencing next to separator. See attached photo. | Utilize or remove fencing. | 05/15/2015 |
| UNUSED EQUIPMENT | ACTION REQUIRED | Unused master valve next to wellhead. See attached photo. | Remove unused equipment. | 05/15/2015 |

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

| Equipment: | | | | | |
|--------------------|---|------------------------------|---------------------|-------------------|------------|
| Type | # | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| Deadman # & Marked | 1 | ACTION REQUIRED | Anchor is unmarked. | Mark anchor. | 05/15/2015 |

| | | | | | | |
|--------------------|--------------|-----------------------------------|----------------|-----------|------------------|--|
| Facilities: | | <input type="checkbox"/> New Tank | Tank ID: _____ | | | |
| Contents | | # | Capacity | Type | SE GPS | |
| CRUDE OIL | | | 300 BBLS | STEEL AST | , | |
| S/A/V: | SATISFACTORY | | Comment: | | | |
| Corrective Action: | | | | | Corrective Date: | |

| Paint | |
|------------------|-------|
| Condition | _____ |
| Other (Content) | _____ |
| Other (Capacity) | _____ |
| Other (Type) | _____ |

| Berms | | | | |
|-------------------|----------|---------------------|---------------------|-----------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Earth | Adequate | Walls Sufficient | Base Sufficient | Adequate |
| Corrective Action | _____ | | | Corrective Date |
| Comment | _____ | | | |

Facilities: ☐ New Tank Tank ID: _____

Inspector Name: Peterson, Tom

| | | | | | | | |
|------------------------|------------------------------|---------------------|---------------------|----------------|--------|------------------|--|
| Contents | | # | Capacity | Type | SE GPS | | |
| PRODUCED WATER | | | 100 BBLS | PBV FIBERGLASS | , | | |
| S/A/V: | SATISFACTORY | | Comment: | | | | |
| Corrective Action: | | | | | | Corrective Date: | |
| Paint | | | | | | | |
| Condition | Adequate | | | | | | |
| Other (Content) _____ | | | | | | | |
| Other (Capacity) _____ | | | | | | | |
| Other (Type) _____ | | | | | | | |
| Berms | | | | | | | |
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance | | | |
| Earth | Adequate | Walls Sufficent | 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: 206541

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: 206541 Type: WELL API Number: 013-06036 Status: PR Insp. Status: PR

Producing Well

Comment: PR

BradenHead

Comment: Bradenhead is exposed at surface.

CA: _____

CA Date: _____

Environmental**Spills/Releases:**

Inspector Name: Peterson, Tom

| | | |
|-----------------------------------|------------------------------|-------------------------------|
| 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): N _____

Comment: _____

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

Reclamation - Storm Water - Pit

Interim Reclamation:

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: _____

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? _____ CM _____
CA _____ CA Date _____
Guy line anchors marked? In 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

Inspector Name: Peterson, Tom

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 _____

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 | Gravel | Pass | | | |

S/A/V: SATISFACTOR
Y

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 |
|--------------|---------------------|---|
| 670900590 | Unused master valve | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3588230 |
| 670900591 | Unused fencing | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3588231 |

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.)