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|-------------------------------|---|--|---|----|----|----|----|
| 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 |  | <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:25%;">DE</td> <td style="width:25%;">ET</td> <td style="width:25%;">OE</td> <td style="width:25%;">ES</td> </tr> </table> | DE | ET | OE | ES |
| DE | ET | OE | ES | | | | |

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|--|
| Inspection Date: <p style="text-align: center;"><u>08/03/2015</u></p> Document Number: <p style="text-align: center;"><u>674102506</u></p> Overall Inspection: <p style="text-align: center;"><u>SATISFACTORY</u></p> |
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FIELD INSPECTION FORM

| | | | | |
|---------------------|---------------|---------------|----------------------|---|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection <input type="checkbox"/> |
| <u>438450</u> | <u>438449</u> | <u>438449</u> | <u>Rickard, Jeff</u> | 2A Doc Num: _____ |

Operator Information:

| |
|---|
| OGCC Operator Number: <u>69175</u> Name of Operator: <u>PDC ENERGY INC</u> Address: <u>1775 SHERMAN STREET - STE 3000</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 |
|--------------------------|----------------|--------------------------|--------------------|
| General, All inspections | (970) 332-3520 | cogccinspection@pdce.com | All PDC inspection |

Compliance Summary:

QtrQtr: NWSW Sec: 27 Twp: 5N Range: 64W

Inspector Comment:

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status | |
|-------------|------|--------|-------------|------------|-----------|-----------------|-------------|-------------------------------------|
| 438450 | WELL | PR | 05/01/2015 | | 123-39978 | Chesnut 27O-243 | PR | <input checked="" type="checkbox"/> |
| 438451 | WELL | PR | 05/01/2015 | | 123-39979 | Chesnut 27O-303 | PR | <input checked="" type="checkbox"/> |
| 438452 | WELL | PR | 05/01/2015 | | 123-39980 | Chesnut 27K-323 | PR | <input checked="" type="checkbox"/> |
| 438453 | WELL | DG | 02/22/2015 | | 123-39981 | Chesnut 27K-403 | PR | <input checked="" type="checkbox"/> |

Equipment:

Location Inventory

| | | | |
|------------------------------|------------------------|---------------------|-------------------------|
| Special Purpose Pits: _____ | Drilling Pits: _____ | Wells: <u>4</u> | 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

| Signs/Marker: | | | | |
|----------------------|------------------------------|---------|-------------------|---------|
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| WELLHEAD | SATISFACTORY | | | |

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

Comment: _____

Inspector Name: Rickard, Jeff

Corrective Action:

Spills:

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

Multiple Spills and Releases?

Equipment:

| Type | # | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
|--------------|---|------------------------------|---------|-------------------|---------|
| Plunger Lift | 4 | SATISFACTORY | | | |

Facilities:

New Tank Tank ID: _____

| Contents | # | Capacity | Type | SE GPS |
|----------|---|----------|---------------------|--------|
| | | | CENTRALIZED BATTERY | , |

S/A/V: _____ Comment: **Inspection at 123-40073**

Corrective Action: _____ Corrective Date: _____

Paint

Condition

Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|------|----------|---------------------|---------------------|-------------|
| | | | | |

Corrective Action _____ Corrective Date _____

Comment _____

Venting:

Yes/No _____ Comment _____

Flaring:

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

Predrill

Location ID: 438450

Site Preparation:

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

S/AV: _____

Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:

| Group | User | Comment | Date |
|-------|----------|--|------------|
| OGLA | andrewsd | Operator shall provide notice to COGCC 48 hours prior to commencing construction of this Oil and Gas Location via Form 42. | 08/04/2014 |

S/AV: _____ **Comment:** _____

CA: _____ **Date:** _____

Wildlife BMPs:

| BMP Type | Comment |
|-----------------------------|---|
| Storm Water/Erosion Control | Stormwater Management Plan contains required elements associated with PDC's construction activities for Areas 1, 2, 3, and 5, as defined in the CDPS General Permit for Stormwater Discharges Associated with Construction Activity, Authorization to Discharge Under the Colorado Discharge Permit System (Permit No. COR-030000, re-issued and effective July 1, 2007).BMPs for sediment and erosion control will be accomplished through a combination of construction techniques, vegetation and re-vegetation, administrative controls, and structural features. |

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: 438450 Type: WELL API Number: 123-39978 Status: PR Insp. Status: PR

Producing Well

Comment: PR

BradenHead

Comment: Braden head is exposed at surface.

CA:

CA Date:

Facility ID: 438451 Type: WELL API Number: 123-39979 Status: PR Insp. Status: PR

Producing Well

Comment: PR

BradenHead

Comment: Braden head is exposed at surface.

CA:

CA Date:

Facility ID: 438452 Type: WELL API Number: 123-39980 Status: PR Insp. Status: PR

Producing Well

Comment: PR

BradenHead

Comment: Braden head is exposed at surface.

CA:

CA Date:

Facility ID: 438453 Type: WELL API Number: 123-39981 Status: DG Insp. Status: PR

Producing Well

Comment: PR

BradenHead

Comment: Braden head is exposed at surface.

CA:

CA Date:

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): N _____

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? Pass CM _____

CA _____ CA Date _____

Guy line anchors marked? _____ CM _____

CA _____ CA Date _____

1003b. Area no longer in use? In Production areas stabilized ? In

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 _____

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: _____

Inspector Name: Rickard, Jeff

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 | | | | | |

S/A/V: SATISFACTOR Corrective Date: _____
Y _____

Comment: _____

CA: _____

Pits: NO SURFACE INDICATION OF PIT