

**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:
08/17/2015Document Number:
673402366

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

| | | | | | |
|---------------------|-------------|--------|-----------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | 223623 | 313419 | Waldron, Emily | <input type="checkbox"/> | |

Operator Information:OGCC Operator Number: 77900Name of Operator: SHAWNEE OIL DEVELOPMENT CO INCAddress: P O BOX 300City: KEVIN State: MT Zip: 59454

- ☐ 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 |
|--------------|-------|----------------------|---------|
| | | jhawkins@bresnan.net | |

Compliance Summary:QtrQtr: NENW Sec: 27 Twp: 4N Range: 92W

| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Action Required | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|-------------------------------|----------|----------------|-----------------|
| 04/18/2000 | 200007156 | ID | TA | ACTION REQUIRED | | Fail | No |

Inspector Comment:**Related Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status | |
|-------------|------|--------|-------------|------------|-----------|---------------|-------------|-------------------------------------|
| 223623 | WELL | PR | 05/03/2007 | OW | 081-60020 | USA SHAW 19 | 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 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**Lease Road:**

| Type | Satisfactory/Action Required | comment | Corrective Action | Date |
|--------|------------------------------|---|--|------------|
| Access | ACTION REQUIRED | Road is overgrown and is difficult to locate. | Maintain road to be passable and easily located. | 09/17/2015 |

Inspector Name: Waldron, Emily

| Signs/Marker: | | | | |
|----------------------|------------------------------|--|---------------------------------------|------------|
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| BATTERY | SATISFACTORY | | | |
| TANK LABELS/PLACARDS | ACTION REQUIRED | Tank label does not have contents or capacity. | Install sign to comply with rule 210. | 09/17/2015 |
| WELLHEAD | ACTION REQUIRED | No sign at wellhead. | Install sign to comply with rule 210. | 09/17/2015 |

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

Corrective Date: _____

Comment: 406-873-5277

Corrective Action: _____

| Good Housekeeping: | | | | |
|---------------------------|------------------------------|------------------------|---|------------|
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| WEEDS | ACTION REQUIRED | Location is overgrown. | Implement and maintain a weed control program. Keep production areas and equipments free from weeds and vegetation. | 09/17/2015 |

| Spills: | | | | |
|----------------|----------|-----------|--|------------|
| Type | Area | Volume | Corrective action | CA Date |
| PW/CO | WELLHEAD | <= 5 bbls | This is not a spill. Oily fluid observed in cellar. Remove fluid and prevent future leaks. | 09/17/2015 |

☐ Multiple Spills and Releases?

| Fencing/: | | | | |
|------------------|------------------------------|--|---------------------------|------------|
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| WELLHEAD | ACTION REQUIRED | Fence around wellhead is falling down. | Maintain or remove fence. | 09/17/2015 |
| TANK BATTERY | SATISFACTORY | Fence around tank is falling down, not to point that wellhead fence is at. | Maintain or remove fence. | 09/17/2015 |

| Facilities: | | | | |
|-----------------------------------|----------------|----------------|-----------|------------------------|
| <input type="checkbox"/> New Tank | | Tank ID: _____ | | |
| Contents | # | Capacity | Type | SE GPS |
| | 1 | | STEEL AST | 40.296530,-107.703300 |
| 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 |
|------|----------|---------------------|---------------------|-------------|
|------|----------|---------------------|---------------------|-------------|

Inspector Name: Waldron, Emily

| | | | | |
|-------------------|--|--|------------|----------------------------|
| Earth | Adequate | | Inadequate | |
| Corrective Action | Maintain berm and keep free from weeds and vegetation. | | | Corrective Date 09/17/2015 |
| Comment | Berm is overgrown. | | | |

| | |
|-----------------|---------|
| Venting: | |
| Yes/No | Comment |
| NO | |

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

Predrill

Location ID: 223623

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

Inspector Name: Waldron, Emily

Facility ID: 223623 Type: WELL API Number: 081-60020 Status: PR Insp. Status: PR

Producing Well

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:

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?

Inspector Name: Waldron, Emily

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: _____

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: SATISFACTOR _____ Corrective Date: _____
Y _____

Comment: No stormwater BMPs observed. No apparent soil migration; erosion or soil movement.

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:

Inspector Name: Waldron, Emily

| Document Num | Description | URL |
|--------------|-------------------|---|
| 673402368 | Inspection Photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3663342 |

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.)