

On August 3, 2015 COGCC Environmental Staff (Alex Fischer, Carlos Lujan, and Stan Spencer) conducted an environmental field inspection of LINN Operating, Inc. Location ID: 335886 (Berry I11-697). This Facility is a permitted well pad where the wells have not been drilled and the Location is currently being used to treat and store drill cuttings allegedly from Location ID: 335616 (Chevron J13-697) pad. Also present were Moody Construction personnel (Shane Brown, Don Etzler, and Curtis McDaniel). The weather was overcast skies, approx 70 degrees with light rain sprinkles.

The following is a summary:

- There is a bermed stock pile of cuttings material being staged at this location.
- Moody Construction personnel stated that the cuttings were from the J-3 Pad.
- The Form 2A (Document Number 400103243) does not allow for the staging or landfarming of cuttings. This is a violation to the Oil and Gas Location Assessment Permit (OGLA) Form 2A.

The Operator shall contact the OGLA Specialist and determine if an amended Form 2A is required.

- An approved Sundry (Document Number 400624354) was approved on June 24, 2014 allowing cuttings to be taken from the Chevron J13-697 Location ID: 335616 and landfarmed at the Berry I11-697 Location.

The Operator has not complied with the conditions of approval of the Sundry Form 4 and shall comply by September 16, 2015 or remove and dispose of cuttings at a commercial facility within 30 days. Disposal documentation must be received by COGCC within 15 days following disposal.