

**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:
08/24/2015Document Number:
679900257

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

| | | | | | |
|---------------------|-------------|--------|-----------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | 292113 | 384906 | Welsh, Brian | <input type="checkbox"/> | |

Operator Information:OGCC Operator Number: 10234Name of Operator: BAYHORSE PETROLEUM LLCAddress: 2558 E PORTSMOUTH AVENUECity: 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 |
|-------------------|----------------|------------------------|---------|
| Costa, Ryan | | ryan.costa@state.co.us | |
| Manikowski, Larry | (801) 913-1640 | lfmanski@aol.com | |

Compliance Summary:

| | | | | | | | |
|------------|-----------|------------|-------------|-------------------------------|----------|----------------|-----------------|
| QtrQtr: | NESW | Sec: | 24 | Twp: | 20S | Range: | 46W |
| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Action Required | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
| 04/22/2013 | 668600650 | DG | PA | ACTION REQUIRED | | Fail | No |
| 06/13/2011 | 200312597 | DG | DG | SATISFACTORY | | | No |
| 05/09/2011 | 200310307 | SR | PA | SATISFACTORY | P | Pass | No |
| 09/01/2009 | 200217830 | SR | DA | ACTION REQUIRED | F | Fail | No |
| 01/11/2008 | 200124776 | CA | PR | SATISFACTORY | | | No |
| 11/02/2007 | 200121492 | PR | WO | SATISFACTORY | | | No |

Inspector Comment:**Related Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status | |
|-------------|------|--------|-------------|------------|-----------|---------------|-------------|-------------------------------------|
| 292113 | WELL | DG | 08/11/2011 | DA | 061-06808 | DEWITT 1 | PA | <input checked="" type="checkbox"/> |

Equipment:Location Inventory

| | | | |
|---------------------------------|-------------------------|----------------------|-------------------------|
| Special Purpose Pits: _____ | Drilling Pits: <u>1</u> | Wells: <u>1</u> | Production Pits: _____ |
| Condensate Tanks: _____ | Water Tanks: <u>1</u> | Separators: <u>1</u> | Electric Motors: _____ |
| Gas or Diesel Mortors: <u>1</u> | Cavity Pumps: _____ | LACT Unit: _____ | Pump Jacks: <u>1</u> |
| Electric Generators: _____ | Gas Pipeline: _____ | Oil Pipeline: _____ | Water Pipeline: _____ |
| Gas Compressors: _____ | VOC Combustor: _____ | Oil Tanks: <u>1</u> | Dehydrator Units: _____ |
| Multi-Well Pits: _____ | Pigging Station: _____ | Flare: <u>1</u> | Fuel Tanks: _____ |

Location**Lease Road:**

| Type | Satisfactory/Action Required | comment | Corrective Action | Date |
|--------|------------------------------|---------------------------|-------------------|------|
| Access | SATISFACTORY | DIRT ROAD THROUGH PASTURE | | |

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

Corrective Date: _____

Comment: _____

Corrective Action: _____

Spills:

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

☐ Multiple Spills and Releases?**Venting:**

| Yes/No | Comment |
|--------|---------|
| | |

Flaring:

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

Predrill

Location ID: 292113

Site Preparation:

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

S/A/V: _____

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

Form 2A COAs:

| Group | User | Comment | Date |
|-------|----------|---|------------|
| OGLA | koepsear | Reference area photos are required to be submitted within 12 months of approval of the 2A. Reference area photos must comply with COGCC rule 303(d)(3)F.ii aa and bb. | 05/12/2011 |

S/A/V: _____ **Comment:** _____**CA:** _____ **Date:** _____**Wildlife BMPs:**

| BMP Type | Comment |
|---------------|--|
| PROPOSED BMPs | <p>BAYHORSE PETROLEUM, LLC</p> <p>2558 E. Portsmouth Ave.</p> <p>Salt Lake City, UT 84121 -5627</p> <p>(801) 913 -1640</p> <p>BEST MANAGEMENT PRACTICES</p> <p>DeWitt #1</p> <p>NE SW of Section 24, T20S -R46W</p> <p>1980' FSL and 1980' FWL</p> <p>Kiowa County, CO</p> <p>Re -Entry</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 water sprinkling of the drill site as needed. We will ensure garbage /mud sacks, etc. are 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 reclaim the surface as close to the original contour as possible. We will reshape the well location and access road as closely as possible to the original contour in the case of a dry hole. We will re- spread topsoil that has been stockpiled from the initial grading. We will re- establish native vegetation on the ingress /regress access area in the case of a dry hole. The drill site is not on cropland.</p> |

S/A/V: _____ **Comment:** _____

CA: _____ **Date:** _____

Stormwater:

Comment: _____

Staking:

On Site Inspection (305):

Inspector Name: Welsh, Brian

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: 292113 Type: WELL API Number: 061-06808 Status: DG Insp. Status: PA

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: RANGELAND

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? _____
 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 REVEGETATIONCropland

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: RANGELAND _____

Reminder: _____

Comment: _____

Well plugged Pass Pit mouse/rat holes, cellars backfilled Pass
 Debris removed Pass No disturbance /Location never built _____
 Access Roads Regraded In Contoured In Culverts removed _____
 Gravel removed _____
 Location and associated production facilities reclaimed In Locations, facilities, roads, recontoured In
 Compaction alleviation In Dust and erosion control In
 Non cropland: Revegetated 80% In Cropland: perennial forage _____

Weeds present Fail Subsidence _____

Comment: **WELL HAS BEEN PLUGGED AND ABANDONED. LOCATION IS CLEAN, CONTOURED AND COVERED WITH WEEDS**

Inspector Name: Welsh, Brian

Corrective Action: **CONTROL WEEDS. SEED AND RECLAIM LOCATION**

Date **09/26/2015**

Overall Final Reclamation

In Process

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 |
|--------------|---|---|
| 679900258 | PICTURES OF DEWITT LOCATION (STATUS SHOWS DG) | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3669135 |

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.)