

Inspector Name: Trujillo, Aaron

**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:
11/20/2015Document Number:
682500179

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

| | | | | | |
|---------------------|-------------|--------|-----------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | 431481 | 431481 | Trujillo, Aaron | <input type="checkbox"/> | |

Operator Information:

OGCC Operator Number: 8960

Name of Operator: BONANZA CREEK ENERGY OPERATING COMPANY

Address: 410 17TH STREET SUITE #1400

City: DENVER State: CO Zip: 80202

- ☐ 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 |
|--------------|-------|----------------------|-----------------|
| | | EHSRC@bonanzacrk.com | All Inspections |

Compliance Summary:QtrQtr: SESE Sec: 4 Twp: 5N Range: 61W**Inspector Comment:**This is an interim reclamation inspection.**Related Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status | |
|-------------|------------------|--------|-------------|------------|-----------|---------------------|-------------|-------------------------------------|
| 431482 | WELL | PR | 12/17/2014 | OW | 123-36626 | Pronghorn T-P-4HNB | PR | <input checked="" type="checkbox"/> |
| 439478 | SPILL OR RELEASE | CL | 10/23/2014 | | - | SPILL/RELEASE POINT | CL | <input type="checkbox"/> |

Equipment:Location Inventory

| | | | |
|---------------------------------------|--------------------------------|-------------------------------|-----------------------------------|
| Special Purpose Pits: <u> </u> | Drilling Pits: <u> </u> | Wells: <u>4</u> | Production Pits: <u> </u> |
| Condensate Tanks: <u>16</u> | Water Tanks: <u>4</u> | Separators: <u>4</u> | Electric Motors: <u>4</u> |
| Gas or Diesel Mortors: <u>4</u> | Cavity Pumps: <u> </u> | LACT Unit: <u> </u> | Pump Jacks: <u>4</u> |
| Electric Generators: <u>4</u> | Gas Pipeline: <u>1</u> | Oil Pipeline: <u> </u> | Water Pipeline: <u> </u> |
| Gas Compressors: <u>4</u> | VOC Combustor: <u>4</u> | Oil Tanks: <u> </u> | Dehydrator Units: <u> </u> |
| Multi-Well Pits: <u> </u> | Pigging Station: <u>1</u> | Flare: <u> </u> | Fuel Tanks: <u> </u> |

Location

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

Comment:

Corrective Action:

| Good Housekeeping: | | | | |
|---------------------------|------------------------------|--|---|------------|
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| DEBRIS | ACTION REQUIRED | Russian thistle and Kochia weed debris. See "COGCC Comments" | Properly remove and dispose of weed debris. | 12/04/2015 |

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

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

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

Predrill

Location ID: 431481

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: 431482 Type: WELL API Number: 123-36626 Status: PR Insp. Status: PR

Producing Well

Comment: PR

Environmental**Spills/Releases:**

Type of Spill: _____ Description: _____ Estimated Spill Volume: _____

Comment: _____

Corrective Action: _____ Date: _____

Reportable: _____ GPS: Lat _____ Long _____

Inspector Name: Trujillo, Aaron

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: CRP

Comment: _____

1003a. Debris removed? Fail CM Russian thistle and Kochia weed debris. See "COGCC Comments"

CA Properly remove and dispose.

CA Date 12/04/2015

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? Fail

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? Fail

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 Fail

1003 f. Weeds Noxious weeds? _____

Inspector Name: Trujillo, Aaron

Comment: Location does not meet reclamation regulations. See "COGCC Comments".

Overall Interim Reclamation Fail

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____ Date Final Reclamation Completed: _____

Final Land Use: CRP

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: _____ Corrective Date: _____

Comment: _____

CA: _____

Pits: ☐ NO SURFACE INDICATION OF PIT

COGCC Comments

| Comment | User | Date |
|---|------------|------------|
| It does not appear that areas no longer needed for use have been reclaimed for interim reclamation. There are large areas on the well pad with no facilities or well that need to be reclaimed. | trujilloam | 11/24/2015 |
| Location does not meet reclamation regulations. Submit a plan by December 31, 2015 to revegetate the unused portions of the project area. The plan should contain a detailed schedule for reclamation activities, methods for decompaction, stormwater controls, weed management, fertilizer/soil amendments, mulch type, seed mixture, and seed application method. Revegetation activities should begin no later than March 31, 2015 The plan should be submitted as an attachment to a Form 4. | | |

Inspector Name: Trujillo, Aaron

| | | |
|--|------------|------------|
| Russian thistle (Salsola sp.) and Kochia (Kochia sp.) located throughout location. When dry, these will break off and encroach upon adjacent lands and equipment and is weed debris, and needs to be removed. Please refer to photos 6, 7, 9, 10, and 13 in the attached document, | trujilloam | 11/24/2015 |
| Properly remove and dispose of weed debris by CA date of 12/4/2015. | | |
| Inadequate perennial vegetation on pipeline. These areas need to be reclaimed. | trujilloam | 11/24/2015 |

Attached Documents

You can go to COGCC Images (<https://cogcc.state.co.us/weblink/>) and search by document number:

| Document Num | Description | URL |
|--------------|----------------------|---|
| 682500180 | IR Inspection Photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3728417 |

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.)