

**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



Inspection Date:

01/25/2016

Document Number:

679900990

Overall Inspection:

SATISFACTORY

FIELD INSPECTION FORM

| | | | | | |
|---------------------|---------------|---------------|---------------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | <u>281984</u> | <u>337055</u> | <u>Welsh, Brian</u> | <input type="checkbox"/> | |

Operator Information:

| | |
|-----------------------|-------------------------------------|
| OGCC Operator Number: | <u>10490</u> |
| Name of Operator: | <u>ENERGY QUEST II LLC</u> |
| Address: | <u>4526 RESEARCH FOREST DR #200</u> |
| City: | <u>THE WOODLANDS</u> |
| State: | <u>TX</u> |
| Zip: | <u>77381</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 |
|----------------|----------------|------------------------------|---------|
| MOORE, DEBRA | (281) 875-6200 | debra.moore@energyquest.us | |
| DUARTE, NIKOLE | (281) 875-6200 | nikole.duarte@energyquest.us | |

Compliance Summary:

QtrQtr: NWSE Sec: 3 Twp: 5S Range: 44W

| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Action Required | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|-------------------------------|----------|----------------|-----------------|
| 01/29/2015 | 668603328 | PR | TA | SATISFACTORY | | | No |
| 10/17/2013 | 668601557 | PR | SI | SATISFACTORY | | | No |
| 08/19/2013 | 668601242 | PR | SI | ACTION REQUIRED | | | No |
| 11/14/2011 | 663900074 | PR | PR | ALLEGED VIOLATION | P | | Yes |
| 07/06/2011 | 200315769 | PR | PR | SATISFACTORY | | | No |
| 11/09/2010 | 200284634 | PR | PR | SATISFACTORY | | | No |
| 12/31/2008 | 200201466 | PR | PR | SATISFACTORY | | | No |
| 02/07/2008 | 200126453 | PR | SI | ACTION REQUIRED | | | Yes |
| 11/27/2006 | 200099535 | PR | PR | SATISFACTORY | | Pass | No |

Inspector Comment:

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|---------------|--|
| 281984 | WELL | PR | 07/09/2006 | GW | 125-09755 | LIKE 3-10 | PR <input checked="" type="checkbox"/> |

Equipment:

Location Inventory

| |
|--|
| |
|--|

Inspector Name: Welsh, Brian

| | | | |
|------------------------------|------------------------|---------------------|-------------------------|
| 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 | SATISFACTORY | Dirt road through pasture | | |

Signs/Marker:

| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
|----------|------------------------------|----------------------------------|-------------------|---------|
| WELLHEAD | SATISFACTORY | Lease sign mounted to meter shed | | |

Emergency Contact Number (S/AR): SATISFACTORY

Corrective Date: _____

Comment: _____

Corrective Action: _____

Good Housekeeping:

| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
|-----------------|------------------------------|---|-------------------|---------|
| STORAGE OF SUPL | SATISFACTORY | Horsehead, ladder, gas scrubber and tubing stored on location | | |

Spills:

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

Multiple Spills and Releases?

Fencing/:

| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
|----------|------------------------------|-----------------------------------|-------------------|---------|
| LOCATION | SATISFACTORY | Wire fence around entire location | | |

Equipment:

| | | | |
|---------------------------|---|-------------------------------|--------------|
| Type: Pump Jack | # 1 | Satisfactory/Action Required: | SATISFACTORY |
| Comment | Zhongyuan Model 25 unit | | |
| Corrective Action | | Date: | |
| Type: Ancillary equipment | # 0 | Satisfactory/Action Required: | SATISFACTORY |
| Comment | Gas scrubber (disconnected, not in use) | | |
| Corrective Action | | Date: | |
| Type: Prime Mover | # 1 | Satisfactory/Action Required: | SATISFACTORY |
| Comment | Kohler gas engine (not in use) | | |

| | | |
|---|-----|---|
| Corrective Action | | Date: |
| Type: Gas Meter Run | # 1 | Satisfactory/Action Required: SATISFACTORY |
| Comment | | |
| Corrective Action | | Date: |
| Type: Vertical Separator | # 1 | Satisfactory/Action Required: SATISFACTORY |
| Comment Vertical gas separator 50% buried by meter shed | | |
| Corrective Action | | Date: |
| Type: Deadman # & Marked | # 4 | Satisfactory/Action Required: ACTION REQUIRED |
| Comment Deadmen not marked | | |
| Corrective Action Mark deadmen | | Date: 2/25/2016 |

Venting:

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

Flaring:

| | |
|--------------------|------------------------------|
| Type | Satisfactory/Action Required |
| Comment: | |
| Corrective Action: | Correct Action Date: |

Predrill

Location ID: 281984

Site Preparation:

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

S/AR: _____

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

Form 2A COAs:

S/AR: SATISFACTORY Comment: No COAs

CA: _____ Date: _____

Wildlife BMPs:

S/AR: _____ Comment: _____

CA: _____ Date: _____

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: 281984 Type: WELL API Number: 125-09755 Status: PR Insp. Status: PR

Idle Well

Purpose: Shut In Temporarily Abandoned Reminder: _____

S/A/V: SATISFACTORY CA Date: _____

CA: _____

Comment: Well SI at time of inspection. Passing MIT performed 10/17/13. Last production reported was Oct 2014. MIT due Oct 2016.

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. Waste and Debris removed? Pass

CM _____

CA _____ CA Date _____

Unused or unneeded equipment onsite? Pass

CM _____

CA _____ CA Date _____

Pit, cellars, rat holes and other bores closed? Pass

CM _____

CA _____ CA Date _____

Guy line anchors marked? Pass

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 REVEGETATION

Cropland

Top soil replaced _____ Recontoured _____ Perennial forage re-established _____

Inspector Name: Welsh, Brian

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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Compaction | Pass | Compaction | Pass | | | |

S/A/V: SATISFACTOR Corrective Date: _____

Y

Comment: _____

CA: _____

Pits: NO SURFACE INDICATION OF PIT