

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:
01/27/2016
Document Number:
673402859
Overall Inspection:
ACTION REQUIRED

FIELD INSPECTION FORM

| | | | | | |
|---------------------|---------------|---------------|-----------------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | <u>223242</u> | <u>312996</u> | <u>Waldron, Emily</u> | <input type="checkbox"/> | |

Operator Information:

| | |
|-----------------------|---|
| OGCC Operator Number: | <u>10144</u> |
| Name of Operator: | <u>XOG OPERATING LLC</u> |
| Address: | <u>P O BOX 352</u> |
| City: | <u>MIDLAND</u> State: <u>TX</u> Zip: <u>79702</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 |
|-----------------|-------|--------------------------------|---------|
| Slayden, Jay | | jayslayden@xogoperating.com | |
| Crawford, Angie | | angiecrawford@xogoperating.com | |

Compliance Summary:

| QtrQtr: | <u>SWSW</u> | Sec: | <u>34</u> | Twp: | <u>12N</u> | Range: | <u>101W</u> |
|------------|-------------|------------|-------------|-------------------------------|------------|----------------|-----------------|
| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Action Required | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
| 02/24/2015 | 673401822 | PR | PR | ACTION REQUIRED | | | No |
| 04/23/2014 | 673400438 | PR | PR | ALLEGED VIOLATION | | | Yes |
| 02/20/2014 | 673400274 | PR | PR | ACTION REQUIRED | F | | No |
| 07/09/2012 | 662300651 | PR | PR | ACTION REQUIRED | | | No |
| 03/06/2012 | 662300269 | PR | PR | ALLEGED VIOLATION | | | Yes |
| 04/05/2011 | 200306799 | PR | SI | ACTION REQUIRED | | | Yes |
| 04/04/2011 | 200307499 | PR | TA | SATISFACTORY | | | No |

Inspector Comment:

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|----------------|-------------|
| 223242 | WELL | PR | 09/09/1985 | GW | 081-06606 | SUGARLOAF 34-1 | PR |

Equipment:

Location Inventory

Inspector Name: Waldron, Emily

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

Signs/Marker:

| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
|----------------------|------------------------------|--------------------------|---------------------------------------|------------|
| WELLHEAD | ACTION REQUIRED | No wellhead sign. | Install sign to comply with rule 210. | 03/24/2015 |
| BATTERY | ACTION REQUIRED | Battery sign incomplete. | Install sign to comply with rule 210. | 03/24/2015 |
| TANK LABELS/PLACARDS | ACTION REQUIRED | No labels on tanks. | Install sign to comply with rule 210. | 03/24/2015 |

Emergency Contact Number (S/AR): ACTION Corrective Date: 03/03/2015

Comment: No emergency contact information on location.

Corrective Action: Immediately install emergency contact information.

Good Housekeeping:

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

Spills:

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

Multiple Spills and Releases?

Fencing/:

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

Equipment:

| | | | |
|-----------------------------------|-----|-------------------------------|--|
| Type: Bird Protectors | # | Satisfactory/Action Required: | SATISFACTORY |
| Comment | | | |
| Corrective Action | | | Date: |
| Type: Deadman # & Marked | # 4 | Satisfactory/Action Required: | SATISFACTORY |
| Comment | | | |
| Corrective Action | | | Date: |
| Type: Horizontal Heated Separator | # 1 | Satisfactory/Action Required: | SATISFACTORY |

| | |
|-------------------|-------|
| Comment | |
| Corrective Action | Date: |

Facilities: New Tank Tank ID: _____

| | | | | |
|----------|---|----------|-----------|-----------------------|
| Contents | # | Capacity | Type | SE GPS |
| | 1 | | STEEL AST | 40.952630,-108.739930 |

S/AR: SATISFACTORY Comment: _____

Corrective Action: _____ Corrective Date: _____

Paint

| | |
|-----------|----------|
| Condition | Adequate |
|-----------|----------|

Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

| | | | | |
|-------|----------|---------------------|---------------------|-------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Earth | Adequate | | | Adequate |

Corrective Action _____ Corrective Date _____

Comment _____

Facilities: New Tank Tank ID: _____

| | | | | |
|----------|---|----------|------------------|--------|
| Contents | # | Capacity | Type | SE GPS |
| | 1 | | HEATED STEEL AST | , |

S/AR: SATISFACTORY Comment: _____

Corrective Action: _____ Corrective Date: _____

Paint

| | |
|-----------|----------|
| Condition | Adequate |
|-----------|----------|

Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

| | | | | |
|-------|----------|---------------------|---------------------|-------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Earth | Adequate | | | Adequate |

Corrective Action _____ Corrective Date _____

Comment _____

Venting:

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

Flaring:

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

Predrill

Location ID: 223242

Site Preparation:

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

S/AR: _____

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

Form 2A COAs:

S/AR: _____ **Comment:** _____

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: 223242 Type: WELL API Number: 081-06606 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:

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: _____

Comment: _____

1003a. Waste and Debris removed? _____

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 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 REVEGETATION

Cropland

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

Non-Cropland

Top soil replaced _____ Recontoured _____ 80% Revegetation _____

1003 f. Weeds Noxious weeds? _____

Comment: _____

Inspector Name: Waldron, Emily

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/AV: SATISFACTOR Corrective Date: _____

Y

Comment: No apparent soil migration; erosion or soil movement.

CA: _____

Pits: NO SURFACE INDICATION OF PIT

COGCC Comments

| Comment | User | Date |
|--|----------|------------|
| Follow up to inspection from 2/24/2015 document number 673401822. All corrective actions remain outstanding. | waldrone | 01/29/2016 |

Attached Documents

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

| Document Num | Description | URL |
|--------------|---------------------|---|
| 673402859 | INSPECTION APPROVED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3772199 |
| 673402878 | Inspection Photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3772197 |