

**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:

02/10/2016

Document Number:

679901057

Overall Inspection:

SATISFACTORY**FIELD INSPECTION FORM**

| | | | | | |
|---------------------|-------------|--------|-----------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | 271187 | 321242 | Welsh, Brian | <input type="checkbox"/> | |

Operator Information:OGCC Operator Number: 10227Name of Operator: CHOLLA PETROLEUM INCAddress: 6688 N CENTRAL EXPRESSWAY 1610City: DALLAS State: TX Zip: 75206

- ☐ 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 |
|---------------|----------------|------------------------|---------|
| Cahill, Terry | (214) 692-7052 | tcahill@chollapetr.com | |

Compliance Summary:QtrQtr: NENE Sec: 34 Twp: 22S Range: 48W

| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Action Required | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|-------------------------------|----------|----------------|-----------------|
| 06/11/2014 | 668602740 | SI | TA | SATISFACTORY | P | | No |
| 01/21/2014 | 668601984 | SI | TA | SATISFACTORY | | | No |
| 12/05/2011 | 663900206 | SI | SI | SATISFACTORY | P | | No |
| 05/19/2009 | 200210935 | MT | TA | SATISFACTORY | | | No |
| 10/05/2007 | 200120222 | ID | SI | ACTION REQUIRED | | | Yes |

Inspector Comment:Submit Form 4 Sundry Notice to show current well status (TA)**Related Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status | |
|-------------|------|--------|-------------|------------|-----------|---------------------|-------------|-------------------------------------|
| 271187 | WELL | SI | 09/07/2004 | GW | 011-06174 | SANTA FE TRAIL 1-34 | TA | <input checked="" type="checkbox"/> |

Equipment:Location Inventory

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

Inspector Name: Welsh, Brian

| | | | | |
|--------------------|------------------------------|-----------------------|-------------------|------|
| Lease Road: | | | | |
| Type | Satisfactory/Action Required | comment | Corrective Action | Date |
| Access | SATISFACTORY | Trail through pasture | | |

| | | | | |
|----------------------|------------------------------|---|-------------------|---------|
| Signs/Marker: | | | | |
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| WELLHEAD | SATISFACTORY | Lease sign mounted to fence at wellhead | | |

| | | | |
|----------------------------------|--------------|------------------|--|
| Emergency Contact Number (S/AR): | SATISFACTORY | Corrective Date: | |
| Comment: | | | |
| Corrective Action: | | | |

| | | | | |
|---------------------------|------------------------------|---|-------------------|---------|
| Good Housekeeping: | | | | |
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| UNUSED EQUIPMENT | SATISFACTORY | Rods and tubing stored on location. Remove unused equipment from location | | |

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

| | | | | |
|------------------|------------------------------|--|-------------------|---------|
| Fencing/: | | | | |
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| WELLHEAD | SATISFACTORY | Wire panels around wellhead | | |
| TANK BATTERY | SATISFACTORY | Wire panels around berms and old tank battery location | | |

| | | | |
|---------------------------|-----|-------------------------------|--------------|
| <u>Equipment:</u> | | | |
| Type: Ancillary equipment | # 0 | Satisfactory/Action Required: | SATISFACTORY |
| Comment | | | |
| Corrective Action | | | Date: |

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

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

Predrill

Location ID: 271187

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: 271187 Type: WELL API Number: 011-06174 Status: SI Insp. Status: TA

Idle WellPurpose: ☐ Shut In ☒ Temporarily Abandoned Reminder: _____

S/A/V: _____ CA Date: _____

CA: _____

Comment: Well is TA at time of inspection. Passing MIT performed on 6/11/14

Environmental**Spills/Releases:**

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

Comment: _____

Inspector Name: Welsh, Brian

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? 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? _____

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

Inspector Name: Welsh, Brian

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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Other | Pass | Other | Pass | | | |

S/A/V: SATISFACTOR
Y _____

Corrective Date: _____

Comment: Location and access are grassed over

CA: _____

Pits: ☒ NO SURFACE INDICATION OF PIT