

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:
05/05/2016
Document Number:
684901120

FIELD INSPECTION FORM

| | | | | | |
|---------------------|---------------|---------------|-----------------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | <u>432395</u> | <u>432395</u> | <u>Pesicka, Conor</u> | <input type="checkbox"/> | |

Overall Inspection:
SATISFACTORY w/ CMT or AR

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 |
|--------------|-------|-----------------------------|------------------------|
| | | <u>EHSRC@bonanzacrk.com</u> | <u>All Inspections</u> |

Compliance Summary:

QtrQtr: NWNW Sec: 26 Twp: 5N Range: 63W

Inspector Comment:

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status | |
|-------------|------|--------|-------------|------------|-----------|----------------------------------|-------------|-------------------------------------|
| 432391 | WELL | PR | 02/21/2014 | OW | 123-37093 | State North Platte F-J-26HNB | PR | <input checked="" type="checkbox"/> |
| 432394 | WELL | PR | 11/17/2013 | OW | 123-37095 | State North Platte F-J-26HC | PR | <input checked="" type="checkbox"/> |
| 434366 | WELL | PR | 05/07/2014 | OW | 123-38120 | State North Platte 11-14-26HNB | PR | <input checked="" type="checkbox"/> |
| 434573 | WELL | PR | 02/22/2014 | OW | 123-38263 | State North Platte F11-J14-26HNC | PR | <input checked="" type="checkbox"/> |
| 434576 | WELL | PR | 07/07/2015 | OW | 123-38266 | State North Platte 11-14-26HC | PR | <input checked="" type="checkbox"/> |

Equipment:

Location Inventory

| | | | |
|---------------------------------|---------------------------|----------------------|---------------------------|
| Special Purpose Pits: _____ | Drilling Pits: _____ | Wells: <u>7</u> | Production Pits: _____ |
| Condensate Tanks: <u>28</u> | Water Tanks: <u>7</u> | Separators: <u>7</u> | Electric Motors: <u>7</u> |
| Gas or Diesel Mortors: <u>7</u> | Cavity Pumps: _____ | LACT Unit: _____ | Pump Jacks: <u>7</u> |
| Electric Generators: <u>4</u> | Gas Pipeline: <u>1</u> | Oil Pipeline: _____ | Water Pipeline: _____ |
| Gas Compressors: <u>6</u> | VOC Combustor: <u>7</u> | Oil Tanks: _____ | Dehydrator Units: _____ |
| Multi-Well Pits: _____ | Pigging Station: <u>1</u> | 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 | SATISFACTORY | all wellheads | | |
| BATTERY | SATISFACTORY | State North Platte Sec 26 | | |
| CONTAINERS | | emulsion breaker, methanol | | |

Emergency Contact Number (S/AR): SATISFACTORY Corrective Date: _____

Comment: _____

Corrective Action: _____

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

| 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 |
| PUMP JACK | SATISFACTORY | wire panel | | |
| WELLHEAD | SATISFACTORY | agricultural | | |

| Equipment: | | | | |
|---------------------------|---|-------------------------------|-----------------|----------------|
| Type: Plunger Lift | # 4 | Satisfactory/Action Required: | ACTION REQUIRED | |
| Comment | Some stained soil around wellheads | | | |
| Corrective Action | remove or remediate stained soil; Securely fasten all valves, pipes, and fittings to ensure good mechanical condition per Rule 605.d. | | | Date: 6/6/2016 |
| Type: Pump Jack | # 1 | Satisfactory/Action Required: | ACTION REQUIRED | |
| Comment | Some stained soil around wellhead | | | |
| Corrective Action | remove or remediate stained soil; Securely fasten all valves, pipes, and fittings to ensure good mechanical condition per Rule 605.d. | | | Date: 6/6/2016 |
| Type: Other | # 1 | Satisfactory/Action Required: | SATISFACTORY | |
| Comment | Gas skid | | | |
| Corrective Action | | | | Date: |
| Type: Ancillary equipment | # 5 | Satisfactory/Action Required: | SATISFACTORY | |
| Comment | pumps- 3 methanol, 2 emulsion breaker | | | |
| Corrective Action | | | | Date: |
| Type: Gas Meter Run | # 11 | Satisfactory/Action Required: | SATISFACTORY | |

Inspector Name: Pesicka, Conor

| | | |
|-------------------|--------------------------------|-------|
| Comment | 5 apportioned, 5 lift, 1 sales | |
| Corrective Action | | Date: |

Facilities: New Tank Tank ID: _____

| Contents | # | Capacity | Type | SE GPS |
|----------|---|----------|---------------------|--------|
| | | | CENTRALIZED BATTERY | , |

| | | | |
|------|--|----------|---|
| S/AR | | Comment: | State North Platte Section 26 super battery |
|------|--|----------|---|

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

Paint

| | |
|-----------|--|
| Condition | |
|-----------|--|

Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

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

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

Venting:

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

Flaring:

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

Predrill

Location ID: 432395

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

S/AR: _____

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

Form 2A COAs:

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

CA: _____ **Date:** _____

Wildlife BMPs:

| BMP Type | Comment |
|--------------|---|
| Construction | <p>Bonanza Creek Energy Best Management Practices for Installation of Cement Water Vaults at locations Associated with Shallow Groundwater</p> <p>The following procedure describes construction practices for setting a partially buried pre-cast cement water vault on locations characterized as containing shallow depth to groundwater.</p> <ol style="list-style-type: none"> 1) The excavation will first be lined with 4" of clay or other low permeability soil. 2) A 30 mil liner will be installed on top of the low permeability soil. The 30 mil liner will be a contiguous liner which will underlay the entire tank battery. 3) The tank battery / water vault liner will be keyed into a galvanized steel containment ring installed surrounding the tank battery. 4) Sand bedding will be installed to protect the synthetic liner prior to placing equipment in the containment area. |

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: 432391 Type: WELL API Number: 123-37093 Status: PR Insp. Status: PR

Producing Well

Comment: PR

BradenHead

Comment: Bradenhead plumbed to surface

CA:

CA Date:

Facility ID: 432394 Type: WELL API Number: 123-37095 Status: PR Insp. Status: PR

Producing Well

Comment: PR

BradenHead

Comment: Bradenhead plumbed to surface

CA:

CA Date:

Facility ID: 434366 Type: WELL API Number: 123-38120 Status: PR Insp. Status: PR

Producing Well

Comment: PR

BradenHead

Comment: Bradenhead plumbed to surface

CA:

CA Date:

Facility ID: 434573 Type: WELL API Number: 123-38263 Status: PR Insp. Status: PR

Producing Well

Comment: PR

BradenHead

Comment: Bradenhead plumbed to surface

CA:

CA Date:

Facility ID: 434576 Type: WELL API Number: 123-38266 Status: PR Insp. Status: PR

Producing Well

Comment: PR

BradenHead

Comment: Bradenhead plumbed to surface

CA:

CA Date:

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): Y
Comment: At super battery
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. 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? In Production areas stabilized ? Pass

1003c. Compacted areas have been cross ripped? _____

1003d. Drilling pit closed? Pass Subsidence over on drill pit? Pass
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 _____

Inspector Name: Pesicka, Conor

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 _____

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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Gravel | Pass | | | | | |
| Seeding | Pass | Gravel | Pass | | | |

S/A/V: SATISFACTOR
Y

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 |
|--------------|--------------------------|---|
| 684901121 | stained soil at wellhead | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3849317 |
| 684901122 | stained soil at wellhead | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3849318 |
| 684901123 | stained soil at wellhead | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3849319 |
| 684901124 | stained soil at wellhead | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3849320 |