

**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:

674602465

Overall Inspection:

SATISFACTORY**FIELD INSPECTION FORM**

| | | | | | |
|---------------------|-------------|--------|-----------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | 277455 | 335644 | Maclaren, Joe | <input type="checkbox"/> | |

Operator Information:OGCC Operator Number: 10459Name of Operator: EXTRACTION OIL & GAS LLCAddress: 370 17TH STREET SUITE 5300City: 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 |
|--------------------|-------|-----------------------------------|-----------------|
| Carlisle, Josh | | jcarlisle@extractionog.com | DJ Inspections |
| Schlagenhauf, Mark | | mark.schlagenhauf@state.co.us | |
| Hazard, Ellice | | ellice.hazard@state.co.us | |
| Inspections, COGCC | | COGCCInspections@extractionog.com | All Inspections |

Compliance Summary:QtrQtr: SENE Sec: 33 Twp: 1N Range: 68W

| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Action Required | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|-------------------------------|----------|----------------|-----------------|
| 01/04/2011 | 200293195 | PR | PR | SATISFACTORY | I | | No |
| 12/18/2008 | 200203965 | PR | PR | SATISFACTORY | | | No |

Inspector Comment:

On May 5th, 2016 COGCC Integrity Inspector Joe MacLaren met with Extraction Oil & Gas (8 North LLC) field contractor John Schriefer(w/Silverline Services) and witnessed annual flowline pressure testing. A total of (4) flowline pressure tests were witnessed during this field inspection. Additional details are outlined in the equipment/ flowline section of this report. Photo's have been uploaded and can be accessed via link(s) at end of report. This is an Engineering/ Integrity field inspection only.

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status | |
|-------------|------|--------|-------------|------------|-----------|-----------------|-------------|-------------------------------------|
| 277455 | WELL | PR | 04/29/2005 | GW | 123-22954 | GRAEBER 42-33 | EG | <input checked="" type="checkbox"/> |
| 282286 | WELL | DA | 03/23/2006 | DA | 123-23481 | GRAEBER 33-33D | DA | <input type="checkbox"/> |
| 283679 | WELL | PR | 08/01/2014 | GW | 123-23664 | Graeber 31-33D | EG | <input checked="" type="checkbox"/> |
| 284613 | WELL | PR | 09/01/2014 | GW | 123-23837 | GRAEBER 33-33DX | EG | <input checked="" type="checkbox"/> |

Equipment:Location Inventory

Inspector Name: Maclaren, Joe

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

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

Comment: _____

Corrective Action: _____

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: Flow Line | # 4 | Satisfactory/Action Required: SATISFACTORY |
| Comment | There were (3) wellsite flowline pressure tests and (1) oil dump flowline pressure test witnessed during this field inspection; This is a multi-well location and includes API 123-22954, 123-23664 and 123-23837; All wells tie into a common horizontal separator with a single/ common oil dump line; The flowline pressure tests were run for one hour each; All (4) flowline pressure tests meet COGCC requirements, did not exceed > 10% pressure deviations during the test and showed adequate stabilization, and are deemed passing/ satisfactory. | |
| Corrective Action | Date: | |

Venting:

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

Flaring:

| | | | |
|------|--|------------------------------|--|
| Type | | Satisfactory/Action Required | |
|------|--|------------------------------|--|

Inspector Name: Maclaren, Joe

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

Predrill

Location ID: 277455

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: <u>277455</u> | Type: <u>WELL</u> | API Number: <u>123-22954</u> | Status: <u>PR</u> | Insp. Status: <u>EG</u> |
| Facility ID: <u>283679</u> | Type: <u>WELL</u> | API Number: <u>123-23664</u> | Status: <u>PR</u> | Insp. Status: <u>EG</u> |
| Facility ID: <u>284613</u> | Type: <u>WELL</u> | API Number: <u>123-23837</u> | Status: <u>PR</u> | Insp. Status: <u>EG</u> |

Environmental

Spills/Releases:

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

Inspector Name: Maclaren, Joe

| | | |
|---|--|-------------|
| Comment: <input style="width: 700px;" type="text"/> | | |
| Corrective Action: _____ | | Date: _____ |
| Reportable: _____ | GPS: Lat _____ | Long _____ |
| Proximity to Surface Water: _____ | Depth to Ground Water: _____ | |
| <u>Water Well:</u> | | |
| DWR Receipt Num: _____ | Owner Name: _____ | GPS : _____ |
| <u>Field Parameters:</u> | | |
| <input style="width: 300px;" type="text"/> | | |
| Sample Location: <input style="width: 400px;" type="text"/> | | |
| 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: <input style="width: 750px;" type="text"/> | |
| 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 | |
| <u>Cropland</u> | |
| Top soil replaced _____ | Recontoured _____ Perennial forage re-established _____ |

Inspector Name: Maclaren, Joe

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

S/A/V: _____ 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 |
|--------------|--|---|
| 674602466 | Well Sign | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3852199 |
| 674602467 | Pressure Testing Data Loggers | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3852200 |
| 674602468 | Wellheads Adjacent to Equipment/ Battery | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3852201 |