

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:
05/18/2016
Document Number:
668004415
Overall Inspection:
SATISFACTORY

FIELD INSPECTION FORM

| | | | | | |
|---------------------|---------------|---------------|--------------------|--------------------|--------------------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | <input type="checkbox"/> |
| | <u>428431</u> | <u>428433</u> | <u>DURAN, JOHN</u> | 2A Doc Num: | |

Operator Information:

OGCC Operator Number: 10369
Name of Operator: NATURAL RESOURCE GROUP INC
Address: 1789 W LITTLETON BLVD
City: LITTLETON State: CO Zip: 80120

- 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 |
|---------------|---------------------------|---------------------------------|-----------------|
| Bacon, Duane | 303-545-2620/303-579-6353 | energyoilandgas@gmail.com | All Inspections |
| Laired, Paul | 303-419-6005 | plaird@diversifiedresources.com | All Inspections |
| Leonard, Mike | | mike.leonard@state.co.us | |

Compliance Summary:

QtrQtr: SWSW Sec: 4 Twp: 34S Range: 62W

Inspector Comment:

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|---------------|--|
| 428431 | WELL | XX | 03/31/2012 | LO | 071-09910 | Loretta 1 | AL <input checked="" type="checkbox"/> |

Equipment:

Location Inventory

| | | | |
|--|----------------------------------|-------------------------------|-----------------------------------|
| Special Purpose Pits: <u> </u> | Drilling Pits: <u>1</u> | Wells: <u>1</u> | Production Pits: <u> </u> |
| Condensate Tanks: <u>1</u> | Water Tanks: <u>1</u> | Separators: <u>1</u> | Electric Motors: <u> </u> |
| Gas or Diesel Mortors: <u> </u> | Cavity Pumps: <u> </u> | LACT Unit: <u> </u> | Pump Jacks: <u> </u> |
| Electric Generators: <u> </u> | Gas Pipeline: <u>1</u> | Oil Pipeline: <u> </u> | Water Pipeline: <u> </u> |
| Gas Compressors: <u>2</u> | VOC Combustor: <u> </u> | Oil Tanks: <u> </u> | Dehydrator Units: <u> </u> |
| Multi-Well Pits: <u> </u> | Pigging Station: <u> </u> | Flare: <u> </u> | Fuel Tanks: <u> </u> |

Location

Lease Road:

| Type | Satisfactory/Action Required | comment | Corrective Action | Date |
|------|------------------------------|---------|-------------------|------|
| | | | | |

| BMP Type | Comment |
|--------------------------------|---|
| Construction | Surface roads to ensure that the anticipated volume of traffic and the weight and speed of vehicles using the road do not cause environmental damage. Use minimum right-of-way width and vegetation mats where pipelines cross riparian areas and streams wherever possible. |
| Wildlife | Enforce policies to protect wildlife (e.g., no poaching, no dogs on location, no feeding of wildlife, etc.) |
| Planning | Adequately size infrastructure and facilities to accomodate both current and future gas production. Avoid constructing any road segment in the channel of an intermittent or perennial stream. Combine utility infrastructure (gas, electric, water) planning with roadway planning to avoid separate utility corridors. Where possible, consolidate pipeline and existing roadways, or roadways that are planned for development. |
| General Housekeeping | Make sure all gates remain closed unless otherwise requested by surface owner. |
| Drilling/Completion Operations | Promptly report spills that affect wildlife to the CDOW. Limit parking to already disturbed areas that have not yet been relcaimed. |
| Final Reclamation | Seed during appropriate season to increase likelihood of reclamation success. Do not include aggressive, non-native grasses in reclamation seed mixes. |
| Interim Reclamation | During drilling, production and reclamation operations, all disturbed areas will be kept as free from undesirable plant species as practicable. |
| Site Specific | Use existing roads where possible to avoid erosion and minimize the land area devoted to oil and gas operations. Restrict oil and gas activities as practicable during critical season periods. |

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: | 428431 | Type: | WELL | API Number: | 071-09910 |
| Status: | XX | Insp. Status: | AL | | |
| | | | | | |

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: RANGELAND
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: _____

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 Pass

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: No evidence of drilling. Area looks like surrounding terrain. No evidence of production. Permit expired on (03/30/14).

Corrective Action: _____

Date _____

Overall Final Reclamation Pass

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