

**FORM
INSP**

Rev
X/15

**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:

03/14/2017

Submitted Date:

03/16/2017

Document Number:

682401867

FIELD INSPECTION FORM

Loc ID 434248 Inspector Name: Binschus, Chris On-Site Inspection 2A Doc Num: _____

Status Summary:

- THIS IS A FOLLOW UP INSPECTION
- FOLLOW UP INSPECTION REQUIRED
- NO FOLLOW UP INSPECTION REQUIRED

Operator Information:

OGCC Operator Number: 10633
Name of Operator: CRESTONE PEAK RESOURCES OPERATING LLC
Address: 1801 CALIFORNIA STREET #2500
City: DENVER State: CO Zip: 80202

Findings:

- 10 Number of Comments
- 3 Number of Corrective Actions
- Corrective Action Response Requested

Contact Information:

| Contact Name | Phone | Email | Comment |
|--------------|-------|----------------------------------|-----------------|
| , | | cogcc.inspections@crestonepr.com | ALL INSPECTIONS |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|------------------|-------------|
| 434241 | WELL | DG | 01/11/2015 | LO | 123-38047 | File 3E-32H K268 | RI |
| 434242 | WELL | DG | 01/09/2015 | LO | 123-38048 | File 3G-32H K268 | RI |
| 434243 | WELL | DG | 01/12/2015 | LO | 123-38049 | File 3B-32H K268 | RI |
| 434244 | WELL | DG | 01/01/2015 | LO | 123-38050 | File 3H-32H K268 | RI |
| 434245 | WELL | DG | 01/10/2015 | LO | 123-38051 | File 3F-32H K268 | RI |
| 434246 | WELL | DG | 01/11/2015 | LO | 123-38052 | File 3D-32H K268 | RI |
| 434247 | WELL | DG | 01/12/2015 | LO | 123-38053 | File 3C-32H K268 | RI |
| 434249 | WELL | DG | 01/01/2015 | LO | 123-38054 | File 3A-32H K268 | RI |
| 434277 | WELL | DG | 02/27/2015 | LO | 123-38072 | File 3I-32H K268 | RI |
| 434280 | WELL | DG | 01/01/2015 | LO | 123-38075 | File 3K-32H K268 | RI |
| 434282 | WELL | DG | 01/06/2015 | LO | 123-38077 | File 3O-32H K268 | RI |
| 434283 | WELL | DG | 01/06/2015 | LO | 123-38078 | File 3P-32H K268 | RI |
| 434284 | WELL | DG | 01/01/2015 | LO | 123-38079 | File 3J-32H K268 | RI |
| 434285 | WELL | DG | 01/10/2015 | LO | 123-38080 | File 3M-32H K268 | RI |
| 434287 | WELL | DG | 01/10/2015 | LO | 123-38082 | File 3L-32H K268 | RI |
| 434289 | WELL | DG | 01/09/2015 | LO | 123-38083 | File 3N-32H K268 | RI |

General Comment:

This is a reclamation and stormwater inspection in response to a variance request to delay interim reclamation. The Operator is in the process of submitting a variance request on this location that has already been constructed and drilling operations have been delayed beyond 12 months. Since this location will remain open and compacted that increases the potential for stormwater erosion.

Location Construction

Location ID: 434248 CDP: _____

Comment: _____

Corrective Action: _____

Date: _____

Form 2A COAs:

Comment: Total construction disturbance of 10.49 acres was mapped on 3/14/2017 using a Trimble Juno 3B handheld device.

Corrective Action: _____

Date: _____

Wildlife BMPs:

Comment: _____

Corrective Action: _____

Date: _____

Comment: _____

Corrective Action: _____

Date: _____

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:

Inspected Facilities

| | | | | |
|----------------------------|-------------------|------------------------------|-------------------|-------------------------|
| Facility ID: <u>434241</u> | Type: <u>WELL</u> | API Number: <u>123-38047</u> | Status: <u>DG</u> | Insp. Status: <u>RI</u> |
| Facility ID: <u>434242</u> | Type: <u>WELL</u> | API Number: <u>123-38048</u> | Status: <u>DG</u> | Insp. Status: <u>RI</u> |
| Facility ID: <u>434243</u> | Type: <u>WELL</u> | API Number: <u>123-38049</u> | Status: <u>DG</u> | Insp. Status: <u>RI</u> |
| Facility ID: <u>434244</u> | Type: <u>WELL</u> | API Number: <u>123-38050</u> | Status: <u>DG</u> | Insp. Status: <u>RI</u> |
| Facility ID: <u>434245</u> | Type: <u>WELL</u> | API Number: <u>123-38051</u> | Status: <u>DG</u> | Insp. Status: <u>RI</u> |
| Facility ID: <u>434246</u> | Type: <u>WELL</u> | API Number: <u>123-38052</u> | Status: <u>DG</u> | Insp. Status: <u>RI</u> |
| Facility ID: <u>434247</u> | Type: <u>WELL</u> | API Number: <u>123-38053</u> | Status: <u>DG</u> | Insp. Status: <u>RI</u> |
| Facility ID: <u>434249</u> | Type: <u>WELL</u> | API Number: <u>123-38054</u> | Status: <u>DG</u> | Insp. Status: <u>RI</u> |
| Facility ID: <u>434277</u> | Type: <u>WELL</u> | API Number: <u>123-38072</u> | Status: <u>DG</u> | Insp. Status: <u>RI</u> |
| Facility ID: <u>434280</u> | Type: <u>WELL</u> | API Number: <u>123-38075</u> | Status: <u>DG</u> | Insp. Status: <u>RI</u> |
| Facility ID: <u>434282</u> | Type: <u>WELL</u> | API Number: <u>123-38077</u> | Status: <u>DG</u> | Insp. Status: <u>RI</u> |
| Facility ID: <u>434283</u> | Type: <u>WELL</u> | API Number: <u>123-38078</u> | Status: <u>DG</u> | Insp. Status: <u>RI</u> |
| Facility ID: <u>434284</u> | Type: <u>WELL</u> | API Number: <u>123-38079</u> | Status: <u>DG</u> | Insp. Status: <u>RI</u> |
| Facility ID: <u>434285</u> | Type: <u>WELL</u> | API Number: <u>123-38080</u> | Status: <u>DG</u> | Insp. Status: <u>RI</u> |
| Facility ID: <u>434287</u> | Type: <u>WELL</u> | API Number: <u>123-38082</u> | Status: <u>DG</u> | Insp. Status: <u>RI</u> |
| Facility ID: <u>434289</u> | Type: <u>WELL</u> | API Number: <u>123-38083</u> | Status: <u>DG</u> | Insp. Status: <u>RI</u> |

Reclamation - Storm Water - Pit

Interim Reclamation:

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: IRRIGATED

Comment: _____

1002 SITE PREPARATION AND STABILIZATION

1002a. FENCING _____

Comment _____

Corrective Action _____

Date _____

1002b. SOIL REMOVAL AND SEGREGATION Fail

Comment It was not apparent where the topsoil stockpile was located.

Corrective Action Using the Field Inspection Report Resolution (FIRR) form, please describe how much topsoil was salvaged, how it is being stabilized, and where the topsoil stockpile is located.

Date 03/24/2017

1002c. PROTECTION OF SOILS _____

Comment _____

Corrective Action _____

Date _____

1002E. SURFACE DISTURBANCE MINIMIZATION _____

Comment _____

Corrective Action _____

Date _____

1003a. Waste and Debris removed? _____

Comment _____

Corrective Action _____

Date _____

Unused or unneeded equipment onsite? _____

Comment _____

Corrective Action _____

Date _____

Pit, cellars, rat holes and other bores closed? _____

Comment _____

Corrective Action _____

Date _____

Guy line anchors marked? _____

Comment _____

Corrective Action _____

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 _____

1003e. INTERIM VEGETATION TRANSECT

TRANSECT RESULTS OF DISTURBED AREA% _____

TRANSECT RESULTS OF REFERENCE AREA% _____

TOTAL % OF DESIRABLE VEGETATION COVER _____

VEGETATIVE COVER _____

1003 f. Weeds Noxious weeds? _____ F _____

Comment Canada thistle (*Cirsium arvense*) a List B Colorado noxious weed was observed along the northeastern location. New rosette growth was observed.

Corrective Action Manage and control the noxious weed using BMPs.

Date 05/01/2017

Overall Interim Reclamation In Process

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____ Date Final Reclamation Completed: _____

Final Land Use: IRRIGATED

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 _____

1004.d. FINAL VEGETATION TRANSECT

TRANSECT RESULTS OF DISTURBED AREA% _____

TRANSECT RESULTS OF REFERENCE AREA% _____

TOTAL % OF DESIRABLE VEGETATION COVER _____

VEGETATIVE COVER _____

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 |
| Sediment Traps | Fail | | | | | Some sediment discharge was outside of the outlet |
| Ditches | Pass | | | | | |
| Berms | Pass | | | | | |
| Waddles | Fail | | | | | Outlet protection on sediment trap |
| Tracking Pad | Pass | | | | | |
| <p>Comment: Vegetative growth has established throughout the ditch and berm BMP that was installed along the location perimeter. It appears maintenance is required at both sediment traps as the outlet protection in the form of wattles need repair or maintenance. Wattles did not appear to be properly trenched or backfilled. Rill erosion is occurring along portions of the northern fill slope. Since insufficient vegetative growth has established on the north fill slope additional stabilization controls should be considered. In addition, the northwest fill slope corner does not appear to be stabilized. It appears portions have shifted and settled over time. Additional stabilization controls should be considered along this area.</p> | | | | | | |
| <p>Corrective Action: Install or repair required BMPs per Rule 1002.f.</p> | | | | | | Date: 04/13/2017 |
| <p>Pits: <input type="checkbox"/> NO SURFACE INDICATION OF PIT</p> | | | | | | |

| COGCC Comments | | |
|---|-----------|------------|
| Comment | User | Date |
| Use the FIRR form to respond to corrective actions. | binschusc | 03/16/2017 |
| Refer to attached inspection photos in Document #682401870. | binschusc | 03/16/2017 |

Attached Documents

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

| Document Num | Description | URL |
|--------------|-------------------|---|
| 682401870 | Inspection Photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4101595 |