

SRC Energy Inc. endeavors to provide accurate information to the COGCC. Therefore, upon receiving corrective actions on our locations during COGCC Field Inspections, SRC has proactively performed an internal audit of several older vintage locations based on our regulatory compliance program and are self-reporting our findings to COGCC. On 6/6/2019, SRC met with John Noto and Margaret Ash to discuss our findings.

(432988) Union 11-5D

- Spud 2014
- First Production 2014
- Met with COGCC to discuss on 6/6/2019
- Corrective Action with additional self-reporting for regulatory compliance program
- This location helped kickoff this review of our locations. Although interim reclamation was performed, it was brought to our attention that a portion of the south west corner could be reclaimed and not needed for production activities. This corner was not fully reclaimed because of discussions with the landowner and the nature of how they irrigate their field; the landowner did not request us to reclaim back to cropland. Upon further review, SRC found a portion of the disturbed area to the north and the east that is beyond the originally permitted 2A and SRC is self-reporting this finding. SRC will work to reclaim the location per the diagram provided.

(436152) Eberle 13-32CHZ

- Spud 2014
- First Production 2014
- Met with COGCC to discuss on 6/6/2019
- Corrective Action with additional self-reporting for regulatory compliance program
- During drilling and completion operations of this location, SRC was within the original 2A boundary. Following SRC's initial operations, this location has expanded for a couple reasons. The landowner wanted to use a portion of his property, to the north of SRC's well pad, as his own storage area. SRC helped the landowner to create this storage area but does not utilize this area for our production purposes. This storage area is the section that is being referenced in the latest field inspection. The landowner accesses his storage area via the east side of our location. Over the years, working closely with the landowner and surrounding neighbors, SRC built a berm with landscaping to reduce the visual and noise impacts of this location. As depicted, the berm and landscaping are not used as an active area for production operations but does exceed the originally permitted 2A disturbance; thus, SRC is self-reporting this information. SRC will wait to hear back from COGCC staff on proper next steps.

(440318) SRC Cannon Pad

- Spud 2014
- First Production 2014
- Met with COGCC to discuss on 6/6/2019
- Self-reporting for regulatory compliance program
- Upon our review, SRC is self-reporting the following information. SRC has found that more interim reclamation is possible to reduce the operational size of the location to just what is needed for safe production operations. SRC will work to reclaim the location per the diagram provided.

(431367) SRC Vista Pad

- Spud 2015
- First Production 2016
- Met with COGCC to discuss on 6/6/2019
- Self-reporting for regulatory compliance program
- Upon our review, SRC is self-reporting the following information. In 2016, SRC submitted a Form 4 to expand the size of our facility disturbance, which was approved. In continued work with the Town of Johnstown, SRC constructed several berms with landscaping to minimize the visibility of the location from the town, as well as from Interstate 25. As a result, the berms extend beyond the originally permitted 2A disturbance area. SRC recognizes more interim reclamation is possible to reduce the operational size to just what is needed for production activities. SRC has provided a diagram detailing SRC's reclamation and permitted 2A disturbance boundaries. SRC will wait to hear back from COGCC staff on possible proper next steps.

(438758) SRC Wind Pad

- Spud 2015
- First Production 2015
- Met with COGCC to discuss on 6/6/2019
- Self-reporting for regulatory compliance program
- Upon our review, SRC is self-reporting the following information. SRC has found that some facility equipment was constructed outside the originally permitted 2A disturbance area. Said facility equipment is located on a portion of an old location that has since been plugged and reclaimed. The additionally disturbed area to the West is part of DCP's valve station and SRC only utilized this area for access to the location. SRC will wait to hear back from COGCC staff on proper next steps.

(433548) Phelps 12-32NHZ Pad

- Spud 2014
- First Production 2014
- Met with COGCC to discuss on 6/6/2019
- Self-reporting for regulatory compliance program
- Upon our review, SRC is self-reporting the following information. It has come to SRC's attention that this location needs the help of COGCC to correct several issues. When SRC drilled this location, it was apparent that the facility area needed to be moved due to the inadequate soil stability in the originally permitted area. SRC immediately discussed this situation with the COGCC and landowner; all parties agreed to move the facility area to a more adequate location. However, SRC did not properly follow up with all necessary documentation to comply with COGCC rules and regulations. Prior to the meeting with COGCC staff on 6/6/2019, SRC has communicated with the landowner and working to execute an amended SUA. SRC will wait to hear back from COGCC staff on proper next steps.