

Pipeline Preventive Maintenance Program - Maudlin Gulch Field

In an effort to minimize the risk of pipeline leaks, Wesco has developed the following preventative maintenance program for the Maudlin Gulch Field:

The program will be dependent on the corrosive nature of the produced water in the area. The Maudlin Gulch produced waters are prone to microbial corrosion. To alleviate this corrosion, Wesco has replaced ~6 miles of pipeline throughout the field with corrosion resistant fiberglass lines. Wesco has also rebuilt the entire facility to current standards. Wesco will continue on a well by well basis to monitor flowlines and valves where above ground for signs of corrosion as indications that the lines may require attention.

Wesco implements a chemical program to ensure proper corrosion treatment is happening. Chemical residuals, iron counts, and corrosion coupons are monitored and chemical rates are adjusted as dictated by testing.

Annual pressure testing is performed as required by COGCC rule.

Where practical cathodic protection will be installed and monitored.

All Wesco Employees will be trained in SPCC. They will be trained in spill response, volume estimating, and H2S. Wesco Employees are required to keep a clean field and encouraged to bring up any potential concerns in safety meetings.

Where Wesco uses a contract pumper, they have agreed to follow Wesco Safety and Environmental policies and are monitored by a field supervisor on a regular basis.

Maudlin Gulch's line pressure and tank levels are monitored continuously via a SCADA system. Wesco maintains staff on 24 hour callouts to respond to alarms from this system.