

FORM INSP Rev 05/11	State of Colorado Oil and Gas Conservation Commission 1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109		DE ET OE ES	
FIELD INSPECTION FORM			Inspection Date: <u>11/01/2011</u> Document Number: <u>664000086</u> Overall Inspection: <u>Satisfactory</u>	
Location Identifier	API Number <u>061-06865</u>	Facility ID <u>426030</u>	Loc ID <u>426029</u>	Tracking Type
Facility Name: <u>TRADE WINDS 2-21</u>		Inspector Name: <u>LEONARD, MIKE</u>		

Operator Information:

OGCC Operator Number: 10234 Name of Operator: BAYHORSE PETROLEUM LLC

Address: 2558 E PORTSMOUTH AVE

City: SALT LAKE CITY State: UT Zip: 84121

Contact Information:

Contact Name	Phone	Email	Comment
Vaughn, Rod	(435) 237-1169/(435) 237-1169	rivaughn47@gmail.com	CEO

Compliance Summary:

QtrQtr: SWSE Sec: 21 Twp: 18S Range: 47W

Inspector Comment:

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num
426030	WELL	XX	10/17/2011		061-06865

Equipment: Location Inventory

Special Purpose Pits: _____	Drilling Pits: <u>3</u>	Wells: <u>1</u>	Production Pits: _____
Condensate Tanks: _____	Water Tanks: <u>1</u>	Separators: <u>1</u>	Electric Motors: _____
Gas or Diesel Mortors: <u>1</u>	Cavity Pumps: _____	LACT Unit: _____	Pump Jacks: <u>1</u>
Electric Generators: _____	Gas Pipeline: _____	Oil Pipeline: _____	Water Pipeline: _____
Gas Compressors: _____	VOC Combustor: _____	Oil Tanks: <u>2</u>	Dehydrator Units: _____
Multi-Well Pits: _____	Pigging Station: _____	Flare: _____	Fuel Tanks: _____

Location

Emergency Contact Number: (S/U/V) _____ Corrective Date: _____

Comment: _____

Corrective Action: _____

Spills:

Type	Area	Volume	Corrective action	CA Date
<input type="checkbox"/> Multiple Spills and Releases?				

Venting:	
Yes/No	Comment

Flaring:				
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date

Predrill

Location ID: 426029

Site Preparation:

Lease Road Adeq.: _____ Pads: _____ Soil Stockpile: _____
 Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:

Group	User	Comment	Date
Permit	yokleyb	Final review completed, under limited comment period. BY	10/13/2011
OGLA	koepsear	Ready to pass 10/26/2011.	10/05/2011
OGLA	koepsear	Passed early due to exigent circumstances. The comment period was open for 7 days prior to receiving the request for exigent circumstances.	10/12/2011
OGLA	koepsear	<p>In accordance with Rule 607.c., operator shall provide notice of any gas analysis indicating the presence of hydrogen sulfide on the proposed location including pipelines, production equipment and tanks. Submit notices to COGCC's area engineer, Dirk Sutphin, at dirk.sutphin@state.co.us and local government designee, Debra Lening at kiowaclerk@hotmail.com as follows:</p> <p>1) Reporting of the presence of H2S in concentrations less than 10 parts per million (PPM) shall be done via verbal and email notices. Verbal notice with a follow up email shall be provided as soon as practicable upon detection of H2S to COGCC's area engineer and the local government designee.</p> <p>2) All verbal and email notices shall include all of the following information:</p> <p>a) Well or Facility name,</p> <p>b) API Number or COGCC Facility Number,</p> <p>c) H2S concentration in PPM,</p> <p>d) Date sample or measurement was collected,</p> <p>e) Type of measurement or analysis (e.g., gas analysis, meter measurement, or colorimetric tube), and</p> <p>f) Description of sample point.</p> <p>3) Sundry Notices are required for H2S concentrations equal to or exceeding 10 PPM. Only one H2S Sundry Notice Form 4 is required per well or location following the initial H2S detection, which exceeds 10 parts per million (PPM). Subsequent H2S reporting shall be done on an annual basis and be submitted not later than January 31 for all measurements or sampling events during the prior calendar year.</p> <p>4) Subsequent annual reports shall be provided in a spreadsheet and submitted to the COGCC's area engineer and/or COGCC's engineering supervisor via email.</p>	10/12/2011

		<p>5) Sundry Notices and annual report spreadsheets shall provide all of the following information:</p> <p>a) Well or Facility name</p> <p>b) API Number or COGCC Facility Number</p> <p>c) H₂S concentration in PPM</p> <p>d) Date sample or measurement was collected</p> <p>e) Type of measurement or analysis (e.g., gas analysis, meter measurement, or colorimetric tube)</p> <p>f) Description of sample point</p> <p>g) Absolute Open Flow Potential in cubic feet per day (CFPD) at the H₂S source(s).</p> <p>h) If flow is not open to the atmosphere, then state that the source is not flowing and include a description of the potential for atmospheric release and duration in which the container or pipeline would likely be opened for servicing operations.</p> <p>i) Distance to the nearest occupied residence, school, church, park, school bus stop, place of business, or other areas where the public could reasonably be expected to frequent.</p> <p>j) Distance to the nearest Federal, State, County, or municipal road or highway owned and principally maintained for public use.</p> <p>If the operator can reasonably expect hydrogen sulfide at or above 100 parts per million (ppm) to be present on the location the operator shall follow all reporting requirements above and file a hydrogen sulfide drilling operations plan (United States Department of the Interior, Bureau of Land Management, Onshore Order No. 6, November 23, 1990) with the COGCC prior to spudding the well as described in COGCC rule 607.a.</p>	
Permit	freesest	<p>Closed loop System? No</p> <p>On or offsite mud disposal? Onsite</p> <p>Committed to an Oil and Gas lease? They are committed to an O&G</p> <p>Distance to above ground utility? 990 (abandoned telephone line per operator)</p> <p>Corrected above answers via verbal with operator.</p>	10/05/2011
Permit	yokleyb	LGD Waiver attached, surface owners waivers attached. BY	10/12/2011

Wildlife BMPs:

Stormwater:

Comment: _____

Staking:

On Site Inspection (305):

Surface Owner Contact Information:

Name: _____

Address: _____

Inspector Name: LEONARD, MIKE

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:

Well

Facility ID: 426030 API Number: 061-06865 Status: XX Insp. Status: DG

Well Drilling

Rig: Rig Name: BLACK GOLD Pusher/Rig Manager: BOB KLIESEN
Permit Posted: Satisfactory Access Sign: Satisfactory

Well Control Equipment:

Pipe Ram: _____ Blind Ram: _____ Hydril Type: YES
Pressure Test BOP: _____ Test Pressure PSI: 500 Safety Plan: YES

Drill Fluids Management:

Lined Pit: _____ Unlined Pit: YES Closed Loop: NO Semi-Closed Loop: _____
Multi-Well: _____ Disposal Location: _____

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:

DWR Receipt Num: _____ Owner Name: _____ GPS File: _____

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. Debris removed? _____ CM _____

CA _____ CA Date _____

Waste Material Onsite? _____ 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 removed? _____ 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: _____

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 _____

Inspector Name: LEONARD, MIKE

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 _____

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
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Pits:

Pit Type: Reserve _____ Lined: NO _____

Lining:
Liner Type: _____ Liner Condition: _____
Comment: _____

Fencing:
Fencing Type: _____ Fencing Condition: _____
Comment: _____

Netting:
Netting Type: _____ Netting Condition: _____
Comment: _____

Anchor Trench Present: _____ Oil Accumulation: _____ 2+ feet Freeboard: _____

Pit (S/U/V): _____ Comment: _____

Corrective Action: _____ Date: _____