

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 |
|----|----|----|----|

Inspection Date:
01/18/2012

Document Number:
662300120

Overall Inspection:
Satisfactory

FIELD INSPECTION FORM

| | | | | |
|---------------------|---------------|---------------|---------------|-------------------------------------|
| Location Identifier | Facility ID | Loc ID | Tracking Type | Inspector Name: <u>NEIDEL, KRIS</u> |
| | <u>418833</u> | <u>418843</u> | | |

Operator Information:

| | |
|---|------------------------------------|
| OGCC Operator Number: <u>78110</u> | Name of Operator: <u>SWEPI LP</u> |
| Address: <u>4582 S ULSTER ST PKWY #1400</u> | |
| City: <u>DENVER</u> | State: <u>CO</u> Zip: <u>80237</u> |

Contact Information:

| Contact Name | Phone | Email | Comment |
|--------------|--------------|-----------------------|---------|
| Pearce, Pete | 970-824-6827 | Pete.pearce@shell.com | |

Compliance Summary:

| | | | |
|---------------------|----------------|----------------|-------------------|
| QtrQtr: <u>SWSE</u> | Sec: <u>31</u> | Twp: <u>5N</u> | Range: <u>90W</u> |
|---------------------|----------------|----------------|-------------------|

Inspector Comment:

wells on production, all excess gas is being burned through combustor.

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | |
|-------------|------|--------|-------------|------------|-----------|---------------|-------------------------------------|
| 418833 | WELL | XX | 08/20/2010 | | 081-07620 | DURHAM 2-31 | <input checked="" type="checkbox"/> |
| 418856 | WELL | XX | 08/20/2010 | | 081-07622 | DURHAM 1-31 | <input checked="" type="checkbox"/> |

Equipment:

Location Inventory

| | | | |
|---------------------------------|-------------------------|---------------------|-------------------------|
| Special Purpose Pits: _____ | Drilling Pits: <u>1</u> | Wells: <u>2</u> | Production Pits: _____ |
| Condensate Tanks: <u>1</u> | Water Tanks: <u>2</u> | Separators: _____ | Electric Motors: _____ |
| Gas or Diesel Mortors: <u>2</u> | Cavity Pumps: _____ | LACT Unit: _____ | Pump Jacks: <u>2</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

Signs/Marker:

| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
|----------------------|-----------------------------|---------|---|-------------------|
| TANK LABELS/PLACARDS | Unsatisfactory | | Install sign to comply with rule 210.b. | 03/01/2012 |

| | |
|--|------------------------|
| Emergency Contact Number: <u>(S/U/V)</u> <u>Satisfactory</u> | Corrective Date: _____ |
| Comment: _____ | |
| Corrective Action: _____ | |

Spills:

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

| | | | | |
|------------------|-----------------------------|---------|-------------------|---------|
| Fencing/: | | | | |
| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| LOCATION | Satisfactory | | | |

| | | | | | |
|---------------------------|---|-----------------------------|---|-------------------|------------|
| Equipment: | | | | | |
| Type | # | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| Horizontal Heater Treater | 2 | Unsatisfactory | treaters are considered a tank and should have 2nd containment. | berm treater. | 04/01/2012 |

Tanks/Berms: New Tank Tank ID: _____

| | | | | |
|--------------------|--------------|----------|------------------|------------------|
| Contents | # | Capacity | Type | SE GPS |
| CRUDE OIL | 3 | 400 BBLS | HEATED STEEL AST | , |
| S/U/V: | Satisfactory | Comment: | | |
| Corrective Action: | | | | Corrective Date: |

Paint

| | |
|-----------|----------|
| Condition | Adequate |
|-----------|----------|

Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

| | | | | |
|-------------------|----------|---------------------|---------------------|-----------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Metal | Adequate | Walls Sufficient | Base Sufficient | Adequate |
| Corrective Action | | | | Corrective Date |
| Comment | | | | |

| | |
|-----------------|---------|
| Venting: | |
| Yes/No | Comment |
| NO | |

| | | | | |
|-----------------|-----------------------------|---------|-------------------|---------|
| Flaring: | | | | |
| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| Other | | | | |

Predrill

Location ID: 418843

Site Preparation:

Lease Road Adeq.: _____ Pads: _____ Soil Stockpile: _____

Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:

| Group | User | Comment | Date |
|-------|-----------|---|------------|
| OGLA | kubeczkod | The moisture content of any drill cuttings in a cuttings pit, trench, or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts. At the time of closure, the drill cuttings must also meet the applicable standards of table 910-1. | 07/13/2010 |

Wildlife BMPs:

| BMP Type | Comment |
|---------------|--|
| PROPOSED BMPs | <p>EAST RESOURCES INC.</p> <p>BEST MANAGEMENT PRACTICES SUMMARY</p> <p>Stormwater management plans (SWMP) are in place to ensure compliance with the Colorado Oil & Gas Conservation Commission and the Colorado Department of Health and Environment requirements. East Resources Inc utilizes sediment containment systems which include silt fencing, straw bales, berms, erosion control blankets, etc. BMP's used will vary according to site slopes, drainage patterns, and other site - specific conditions. A copy of the SWMP is kept in our office.</p> <p>Spill Prevention Plan is in place to address any spills associated with East Resources Inc operations.</p> <p>Any waste and trash will removed from the site for disposal.</p> <p>Routine maintenance will be limited to fueling and lubrication of equipment. Drip Pans will be used during fueling and maintenance to contain spills or leaks. Hay bales will be placed as sound barriers on locations that are close to residence as required.</p> |

Stormwater:

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:

Well

Facility ID: 418833 API Number: 081-07620 Status: XX Insp. Status: XX

Facility ID: 418856 API Number: 081-07622 Status: XX Insp. Status: XX

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 : _____ Lat _____ Long _____

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: DRY LAND, 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: _____

Overall Interim Reclamation

Final Reclamation/ Abandoned Location:

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

Final Land Use: DRY LAND, RANGELAND

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 _____

Comment: _____

Corrective Action: _____ Date _____

Overall Final Reclamation

Storm Water:

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| | | | | | | |

S/U/V: _____ Corrective Date: _____

Comment: _____

CA: _____