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|-------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|
| 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>01/26/2012</u> Document Number: <u>664000318</u> Overall Inspection: <div style="border: 1px solid red; padding: 2px; display: inline-block; color: red;"> Unsatisfactory </div> | |
| Location Identifier | Facility ID <u>300642</u> | Loc ID <u>309662</u> | Tracking Type | Inspector Name: <u>LEONARD, MIKE</u> |

Operator Information:

OGCC Operator Number: 10221 Name of Operator: RUNNING FOXES PETROLEUM INC

Address: 6855 S. HAVANA ST #400

City: CENTENNIAL State: CO Zip: 80112

Contact Information:

| Contact Name | Phone | Email | Comment |
|---------------|----------------|---------------------------------|---------|
| Wilson, Chuck | (720) 344-5155 | chuckwilson@nighthawkenergy.com | COO |
| Keppel, Kent | (720) 889-0510 | kkeppel@atoka.com | COUA |

Compliance Summary:

QtrQtr: NWNW Sec: 33 Twp: 13S Range: 55W

| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Unsatisfactory | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|------------------------------|----------|----------------|-----------------|
| 10/04/2010 | 200275672 | PR | PR | S | | | N |
| 02/22/2010 | 200232134 | PR | PR | U | | | Y |
| 12/03/2009 | 200223531 | PR | PR | U | | | N |

Inspector Comment:

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | |
|-------------|------|--------|-------------|------------|-----------|---------------|-------------------------------------|
| 300642 | WELL | PR | 12/14/2011 | OW | 073-06370 | CRAIG 4-33 | <input checked="" type="checkbox"/> |

Equipment: Location Inventory

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

Location

Signs/Marker:

| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
|---------|-----------------------------|-------------------------------------|-----------------------------------------|------------|
| BATTERY | Unsatisfactory | NO SIGN AT CENTRAL BATTERY AT 12-33 | Install sign to comply with rule 210.b. | 03/30/2012 |

| | | | | |
|----------------------|----------------|----------------------------------------------------------------------|-----------------------------------------|------------|
| TANK LABELS/PLACARDS | Unsatisfactory | NO LABEL ON TREATER ON LOCATION.NO SIGN AT 12-33 BATTERY TO DESINATE | Install sign to comply with rule 210.b. | 03/30/2012 |
| WELLHEAD | Unsatisfactory | DOES NOT REFLECT CURRENT OPERATOR | Install sign to comply with rule 210.b. | 03/30/2012 |

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

Comment: _____

Corrective Action: _____

Good Housekeeping:

| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
|-------|-----------------------------|------------------------------------------------------|--------------------------|------------|
| WEEDS | Unsatisfactory | WEEDS FROM LAST SEASON EVIDENT. PREVENT RE-OCCURANCE | REMOVE AND CONTROL WEEDS | 03/30/2012 |

Spills:

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

Fencing/:

| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
|-----------|-----------------------------|--------------|-------------------|---------|
| PUMP JACK | Satisfactory | STEEL PANELS | | |
| LOCATION | Satisfactory | BARBED WIRE | | |
| WELLHEAD | Satisfactory | STEEL PANELS | | |

Equipment:

| Type | # | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
|-------------------------|---|-----------------------------|------------------------------------------------------------------|--------------------------|------------|
| Pump Jack | 1 | Satisfactory | STANDARD | | |
| Deadman # & Marked | 4 | Satisfactory | | | |
| Veritcal Heater Treater | 1 | Unsatisfactory | NOT IN USE ON LOCATION. PRODUCTION IS PLUMBED TO CENTRAL BATTERY | REMOVE OR PLACE INTO USE | 03/30/2012 |
| Prime Mover | 1 | Satisfactory | ELECTRIC MOTOR WITH PHASE CONVERTER | | |

Tanks/Berms: New Tank Tank ID: _____

| | | | | |
|--------------------|----------|----------|--------------------------|-----------------------|
| Contents | # | Capacity | Type | SE GPS |
| | | | | 38.870640,-103.569440 |
| S/U/V: | Comment: | | CENTRAL BATTERY AT 12-33 | |
| Corrective Action: | | | | Corrective Date: |

Paint

Condition

Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|-------------------|----------|---------------------|---------------------|-----------------|
| | | | | |
| Corrective Action | | | | Corrective Date |
| Comment | | | | |

Tanks/Berms: New Tank Tank ID: _____

| | | | | |
|-----------------------|--------------------------|----------|-----------------------------------------------------------------------|-----------------------------|
| Contents | # | Capacity | Type | SE GPS |
| PRODUCED WATER | 2 | 200 BBLS | FIBERGLASS AST | 38.877300,-103.569030 |
| S/U/V: Unsatisfactory | Comment: | | UNUSED TANKS ON LOCATION. PRODUCTION GOES TO CENTRAL BATTERY AT 12-33 | |
| Corrective Action: | REMOVE OR PLACE INTO USE | | | Corrective Date: 03/30/2012 |

Paint

Condition

Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|-------------------|----------|---------------------|---------------------|-----------------|
| | | | | |
| Corrective Action | | | | Corrective Date |
| Comment | | | | |

Venting:

| Yes/No | Comment |
|--------|---------|
| | |

Flaring:

| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
|------|-----------------------------|---------|-------------------|---------|
| | | | | |

Predrill

Location ID: 309662

Site Preparation:

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

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

Form 2A COAs:

Wildlife BMPs:

Stormwater:

| | | | |
|--------------|---------|------------|---------|
| Erosion BMPs | Present | Other BMPs | Present |
| | No | | |

Corrective Action: INSTALL BMP'S TO PREVENT WIND EROSION ON LOCATION AND STORMWATER EROSION FROM SLOPE TO WEST Date: 03/30/2012

Comments: Erosion BMPs: _____

Other BMPs: _____

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: 300642 API Number: 073-06370 Status: PR Insp. Status: SI

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: | Lat | Long |
| DWR Receipt Num: _____ | Owner Name: _____ | GPS : _____ |

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: _____

Comment: _____

1003a. Debris removed? Pass CM _____

CA _____ CA Date _____

Waste Material Onsite? Pass CM _____

CA _____ CA Date _____

Unused or unneeded equipment onsite? Pass CM _____

CA _____ CA Date _____

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

CA _____ CA Date _____

Guy line anchors removed? _____ CM _____

CA _____ CA Date _____

Guy line anchors marked? Pass CM _____

CA _____ CA Date _____

1003b. Area no longer in use? Fail Production areas stabilized ? Fail

1003c. Compacted areas have been cross ripped? _____

1003d. Drilling pit closed? Pass Subsidence over on drill pit? Pass

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? Fail 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 Fail

1003 f. Weeds Noxious weeds? _____ F _____

Comment: NEED BMP'S FOR EROSION CONTROL AND WEED CONTROL

Overall Interim Reclamation Fail

Final Reclamation/ Abandoned Location:

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

Final Land Use: _____

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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Compaction | Fail | | | MHSP | Fail | |

S/U/V: Unsatisfactory Corrective Date: 03/30/2012

Comment: _____

CA: INSTALL CONTAINMENT FOR CHEMICAL BARREL. INSTALL BMP'S TO PREVENT EORISION FROM PAD. INSTALL BMP'S ON WEST SLOPE OF PAD TO REMOVE AND PREVENT EROSION