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

Inspection Date: 01/31/2012

Document Number: 663900527

Overall Inspection: Satisfactory

FIELD INSPECTION FORM

| | | | | |
|---------------------|---------------|---------------|---------------|-------------------------------------|
| Location Identifier | Facility ID | Loc ID | Tracking Type | Inspector Name: <u>QUINT, CRAIG</u> |
| | <u>213739</u> | <u>324945</u> | | |

Operator Information:

OGCC Operator Number: 17180 Name of Operator: CITATION OIL & GAS CORP

Address: PO BOX 690688

City: HOUSTON State: TX Zip: 77269

Contact Information:

| Contact Name | Phone | Email | Comment |
|----------------|-----------------------|------------------|-------------------|
| ELSON, LEE ANN | 281-891-1577 EXT 1577 | lelson@cogc.com | |
| Wolff, Geoff | 719-767-8851 off | gwolff@cogc.com | 719-340-4637 cell |
| Rogers, Bob | 719-767-8851 | brogers@cogc.com | 719-340-1445 cell |

Compliance Summary:

QtrQtr: NESW Sec: 35 Twp: 11S Range: 45W

| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Unsatisfactory | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|------------------------------|----------|----------------|-----------------|
| 08/15/2011 | 200318241 | MT | TA | U | | | Y |
| 04/01/2011 | 200307064 | PR | SI | U | | | Y |
| 02/05/2010 | 200230342 | PR | SI | U | | | Y |
| 04/15/2008 | 200130441 | PR | SI | U | | | Y |
| 12/01/2006 | 200100434 | PR | PR | S | | P | N |
| 12/20/2000 | 200012541 | PR | PR | S | I | P | N |

Inspector Comment:

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | |
|-------------|------|--------|-------------|------------|-----------|------------------|-------------------------------------|
| 213739 | WELL | SI | 08/24/2011 | GW | 063-06298 | ANDERSON 23-35 1 | <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

| Lease Road: | | | | |
|--------------------|-----------------------------|--------------------------|-------------------|------|
| Type | Satisfactory/Unsatisfactory | comment | Corrective Action | Date |
| Access | Satisfactory | 2 track through pasture. | | |

| Signs/Marker: | | | | |
|----------------------|-----------------------------|-------------------------|-------------------|---------|
| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| WELLHEAD | Satisfactory | Lease sign by wellhead. | | |

Emergency Contact Number: (S/U/V) Satisfactory 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 |
| WELLHEAD | Satisfactory | Steel panels around wellhead. | | |

| Equipment: | | | | | |
|---------------------|---|-----------------------------|---|-------------------|---------|
| Type | # | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| Ancillary equipment | 2 | Satisfactory | gas fired cathodic rectifier, propane tank. | | |

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

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

Predrill

Location ID: 324945

Site Preparation:

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

Form 2A COAs:

Wildlife BMPs:

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: 213739 API Number: 063-06298 Status: SI Insp. Status: PA

Cement

Cement Contractor

Contractor Name: Allied

Contractor Phone: 785-672-3452

Surface Casing

Cement Volume (sx):

Circulate to Surface:

Cement Fall Back:

Top Job, 1" Volume:

Intermediate Casing

Cement Volume (sxs):

Good Return During Job:

Production Casing

Cement Volume (sx):

Good Return During Job:

Plugging Operations

Depth Plugs(feet range): 2820/2080/485

Cement Volume (sx): 120

Good Return During Job: YES

Cement Type: CLASS A COM

Comment: CIBP W/2SX SET @ 5392 ON 8/15/2011, PEAK PERFED @ 2820 & SET CICR @ 2720 ON 1/26/2012, RIH W/TBG, MIRU ALLIED, EST RATE, PUMP 40 SX CEMENT, DIS W/10BBL WATER, LAY DOWN 18 JTS TBG TO 2079, RU ALLIED, LOAD HOLE W/6BBL WATER, PUMP 10 SX CMT CASING PLUG DIS W/7BBL WATER, POOH, RU PEAK, RIH W/GUN PERF @ 485, RU ALLIED AND LOAD HOLE W/9.5BBL W/RETURNS TO TANK, RU PEAK RIH W/CICR SET @ 385', RIH W/TBG, RU ALLIED, PUMP 50 SX CMT, DIS W/3BBL, SWAP HOSES, PUMP 10 SX CMT IN ANNULUS, SHUT VALVES, POOH W/TBG TO 60', FILL CASING TO SURFACE W/10 SX CEMENT.

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:

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? _____ CM _____
 CA _____ CA Date _____

1003b. Area no longer in use? Pass Production areas stabilized ? Pass
 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? Pass
 Production areas have been stabilized? Pass Segregated soils have been replaced? Pass

RESTORATION AND REVEGETATION

Cropland

Top soil replaced _____ Recontoured _____ Perennial forage re-established _____

Non-Cropland

Top soil replaced Pass Recontoured Pass 80% Revegetation Pass

1003 f. Weeds Noxious weeds? P
 Comment:

Overall Interim Reclamation Pass

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:

Inspector Name: QUINT, CRAIG

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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Other | Pass | Other | Pass | | | |

S/U/V: Satisfactory Corrective Date: _____

Comment: _____

CA: _____