

| | | | |
|--|--|--|----------------------|
| FORM INSP Rev 05/11 | State of Colorado Oil and Gas Conservation Commission 1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109 |  | DE ET OE ES |
|--|--|--|----------------------|

FIELD INSPECTION FORM

| | | | | |
|---------------------|-------------|--------|---------------|------------------------------|
| Location Identifier | Facility ID | Loc ID | Tracking Type | Inspector Name: HICKEY, MIKE |
| | 420134 | 336439 | | |

Inspection Date: 07/16/2012

Document Number: 667600564

Overall Inspection: Satisfactory

Operator Information:

OGCC Operator Number: 100185 Name of Operator: ENCANA OIL & GAS (USA) INC

Address: 370 17TH ST STE 1700

City: DENVER State: CO Zip: 80202-

Contact Information:

| Contact Name | Phone | Email | Comment |
|--------------|-------|------------------------|---------|
| Berlin, John | | john.berlin@encana.com | |

Compliance Summary:

QtrQtr: NENE Sec: 7 Twp: 2N Range: 67W

Inspector Comment:

New well inspection of API #05-123-32472, Wandell #8-4-4 et al multi-well location. Wellhead sign on the Wandell 6-0-7 is missing.

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | |
|-------------|------|--------|-------------|------------|-----------|---------------|---|
| 240068 | WELL | PR | 02/01/2011 | OG | 123-07856 | WANDELL 1 | X |
| 263724 | WELL | PR | 09/13/2003 | OW | 123-20947 | WANDELL 31-7 | X |
| 264419 | WELL | PR | 09/18/2003 | OG | 123-21069 | WANDELL 42-7 | X |
| 264420 | WELL | PR | 09/14/2003 | OG | 123-21070 | WANDELL 41-7 | X |
| 420128 | WELL | PR | 07/08/2011 | GW | 123-32467 | WANDELL 6-0-7 | X |
| 420130 | WELL | PR | 07/19/2011 | | 123-32469 | WANDEL 6-4-7 | X |
| 420132 | WELL | PR | 07/08/2011 | GW | 123-32471 | WANDELL 8-2-7 | X |
| 420134 | WELL | PR | 07/08/2011 | GW | 123-32472 | WANDELL 8-4-7 | X |

Equipment:

Location Inventory

| | | | |
|------------------------------|-------------------------|------------------------|--------------------------|
| Special Purpose Pits: _____ | Drilling Pits: _____ | Wells: <u>8</u> | Production Pits: _____ |
| Condensate Tanks: _____ | Water Tanks: <u>1</u> | Separators: <u>3</u> | Electric Motors: _____ |
| Gas or Diesel Mortors: _____ | Cavity Pumps: _____ | LACT Unit: _____ | Pump Jacks: _____ |
| Electric Generators: _____ | Gas Pipeline: <u>10</u> | Oil Pipeline: <u>3</u> | Water Pipeline: <u>1</u> |
| Gas Compressors: _____ | VOC Combustor: <u>1</u> | Oil Tanks: <u>3</u> | Dehydrator Units: _____ |
| Multi-Well Pits: _____ | Pigging Station: _____ | Flare: _____ | Fuel Tanks: _____ |

Location

| Signs/Marker: | | | | |
|----------------------|-----------------------------|---|---|------------|
| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| WELLHEAD | Unsatisfactory | Wandell 6-0-7 wellhead sign is missing. | Install sign to comply with rule 210.b. | 10/01/2012 |

| | | | |
|----------------------|----------------|--|---|
| TANK LABELS/PLACARDS | Satisfactory | | |
| BATTERY | Unsatisfactory | | Verify signage at the battery. 10/01/2012 |

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 | X8 | | |
| SEPARATOR | Satisfactory | | | |
| TANK BATTERY | Satisfactory | | | |

Equipment:

| Type | # | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
|-----------------------------|---|-----------------------------|---------|-------------------|---------|
| Plunger Lift | 8 | Satisfactory | | | |
| Gas Meter Run | 2 | Satisfactory | | | |
| Emission Control Device | 1 | Satisfactory | | | |
| Bird Protectors | 3 | Satisfactory | | | |
| Horizontal Heated Separator | 2 | Satisfactory | | | |

Facilities: New Tank Tank ID: _____

| Contents | # | Capacity | Type | SE GPS |
|------------|---|----------|-----------|----------------------|
| CONDENSATE | 3 | 300 BBLS | STEEL AST | 40.157510,104.926480 |

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

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

Predrill

Location ID: 336439

Site Preparation:

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

Form 2A COAs:

Comment: _____

CA: _____ **Date:** _____

Wildlife BMPs:

Comment: _____

CA: _____ **Date:** _____

Stormwater:

| Erosion BMPs | Present | Other BMPs | Present |
|--------------|---------|------------|---------|
| | | | |

Corrective Action: _____ Date: _____

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:

Facility

Facility ID: 240068 Type: WELL API Number: 123-07856 Status: PR Insp. Status: PR

Producing Well

Comment:

Facility ID: 263724 Type: WELL API Number: 123-20947 Status: PR Insp. Status: PR

Producing Well

Comment:

Facility ID: 264419 Type: WELL API Number: 123-21069 Status: PR Insp. Status: PR

Producing Well

Comment:

Facility ID: 264420 Type: WELL API Number: 123-21070 Status: PR Insp. Status: PR

Producing Well

Comment:

Facility ID: 420128 Type: WELL API Number: 123-32467 Status: PR Insp. Status: PR

Producing Well

Comment:

Facility ID: 420130 Type: WELL API Number: 123-32469 Status: PR Insp. Status: PR

Producing Well

Comment:

Facility ID: 420132 Type: WELL API Number: 123-32471 Status: PR Insp. Status: PR

Producing Well

Comment:

Facility ID: 420134 Type: WELL API Number: 123-32472 Status: PR Insp. Status: PR

Producing Well

Comment:

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:

Inspector Name: HICKEY, MIKE

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: COMMERCIAL

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? Pass 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? Pass

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? In

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 In

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: COMMERCIAL

Reminder: _____

Comment: _____

Inspector Name: HICKEY, MIKE

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: _____