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

Inspection Date:
08/09/2012

Document Number:
663901493

Overall Inspection:
Unsatisfactory

| | | | | |
|---------------------|------------------------------|-------------------------|---------------|-------------------------------------|
| Location Identifier | Facility ID <u>213486</u> | Loc ID <u>324931</u> | Tracking Type | Inspector Name: <u>QUINT, CRAIG</u> |
|---------------------|------------------------------|-------------------------|---------------|-------------------------------------|

Operator Information:

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

Address: 14077 CUTTEN RD

City: HOUSTON State: TX Zip: 77269

Contact Information:

| Contact Name | Phone | Email | Comment |
|----------------|--------------------------|------------------|-------------------|
| Rogers, Bob | 719-767-8851 | brogers@cogc.com | 719-340-1445 cell |
| ELSOM, LEE ANN | 281-891-1577 EXT 1577 | lelsom@cogc.com | |

Compliance Summary:

QtrQtr: NWSW Sec: 19 Twp: 11S Range: 44W

| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Unsatisfactory | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|------------------------------|----------|----------------|-----------------|
| 02/01/2012 | 663900533 | SI | SI | S | P | | N |
| 04/01/2011 | 200307046 | MT | TA | S | | | N |
| 04/01/2011 | 200307062 | ID | TA | U | | | Y |
| 02/05/2010 | 200230343 | PR | SI | S | | | N |
| 04/15/2008 | 200130439 | PR | SI | S | | | N |
| 12/01/2006 | 200100431 | PR | PR | S | | P | N |
| 12/20/2000 | 200012545 | PR | PR | S | I | P | N |
| 07/28/1999 | 873182 | PR | PR | S | | P | N |
| 12/31/1997 | 500145882 | ID | SI | | | P | N |
| 09/27/1996 | 500145881 | PR | PR | | | P | N |
| 09/07/1995 | 500145880 | PR | PR | | | P | Y |
| 11/17/1994 | 500145879 | | PR | | | | Y |

Inspector Comment:

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name |
|-------------|------|--------|-------------|------------|-----------|--|
| 213486 | WELL | SI | 10/01/1997 | GW | 063-06045 | CHAMPLIN-PIERSON 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 | DIRT TRAIL THROUGH FARM GROUND | | |

| Signs/Marker: | | | | |
|----------------------|-----------------------------|--------------------|-------------------|---------|
| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| WELLHEAD | Satisfactory | LEASE SIGN BY WELL | | |

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? | | | | |

| Equipment: | | | | | |
|-------------------|---|-----------------------------|---------|-------------------|---------|
| Type | # | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| Gas Meter Run | 1 | Satisfactory | | | |

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

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

Predrill

Location ID: 324931

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: 213486 Type: WELL API Number: 063-06045 Status: SI Insp. Status: PA

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? _____ 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: _____

Reminder: _____

Comment: _____

Well plugged In Pit mouse/rat holes, cellars backfilled In

Debris removed In No disturbance /Location never built _____

Access Roads Regraded _____ Contoured _____ Culverts removed _____

Gravel removed _____

Location and associated production facilities reclaimed In Locations, facilities, roads, recontoured _____

Compaction alleviation _____ Dust and erosion control _____

Non cropland: Revegetated 80% _____ Cropland: perennial forage In

Weeds present Fail Subsidence Pass

Comment: **SOME EQUIPMENT HAS BEEN REMOVED, LOCATION IS COVERED WITH WEEDS. OPERATOR IS IN PROCESS OF RECLAMATION.**

Corrective Action: **FINISH WITH P&A, CUT & CAP WELL, REMOVE EQUIPMENT AND RECLAIM LOCATION.** Date **11/09/2012**

Overall Final Reclamation In Process Multi-Well Location

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: _____