

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

Inspection Date: 08/29/2013

Document Number: 663902090

Overall Inspection: **Unsatisfactory**

**FIELD INSPECTION FORM**

|                     |             |        |                 |   |                   |
|---------------------|-------------|--------|-----------------|---|-------------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection <input type="checkbox"/> | 2A Doc Num: _____ |
|                     | 324417      | 324417 | LONGWORTH, MIKE |   |                   |

**Operator Information:**

OGCC Operator Number: 96850 Name of Operator: WPX ENERGY ROCKY MOUNTAIN LLC

Address: 1001 17TH STREET - SUITE #1200

City: DENVER State: CO Zip: 80202

**Contact Information:**

| Contact Name        | Phone                  | Email                          | Comment                            |
|---------------------|------------------------|--------------------------------|------------------------------------|
| Moss, Brad          | (970) 285-9377         | Brad.Moss@WPXEnergy.com        | Production foreman                 |
| WESTERDALE, BARBARA |                        | barbara.westerdale@state.co.us |                                    |
| KELLERBY, SHAUN     |                        | shaun.kellerby@state.co.us     |                                    |
| Gardner, Michael    | 970/285-9377 ext. 2760 | Michael.Gardner@WPXEnerg y.com | Principal Environmental Specialist |
| Brady, Scott        | (970) 285-9377         | Lowell.Brady@WPXEnergy.c om    | Drilling Super Intendent           |

**Compliance Summary:**

QtrQtr: SESE Sec: 27 Twp: 5S Range: 97W

| Insp. Date | Doc Num   | Insp. Type | Insp Status | Satisfactory /Unsatisfactory | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|------------------------------|----------|----------------|-----------------|
| 08/31/2010 | 200269932 | SR         | ND          | S                            |          |                | N               |

**Inspector Comment:**

6 conductors and cellars with expired permits. Close conductors and cellars CA Date 9/28/2013

**Related Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num   | Facility Name         |   |
|-------------|------|--------|-------------|------------|-----------|-----------------------|---|
| 290849      | WELL | XX     | 05/26/2010  | LO         | 045-14225 | Chevron TR 11-35-597  | X |
| 301966      | WELL | PR     | 11/30/2011  | GW         | 045-18339 | CHEVRON TR 513-26-597 |   |
| 301967      | WELL | XX     | 03/11/2009  | LO         | 045-18340 | CHEVRON TR 44-27-597  | X |
| 301968      | WELL | XX     | 03/11/2009  | LO         | 045-18341 | CHEVRON TR 444-27-597 | X |
| 301969      | WELL | PR     | 11/29/2011  | GW         | 045-18342 | CHEVRON TR 41-34-597  |   |
| 301970      | WELL | XX     | 03/11/2009  | LO         | 045-18343 | CHEVRON TR 443-27-597 | X |
| 301971      | WELL | PR     | 11/30/2011  | GW         | 045-18344 | CHEVRON TR 441-34-597 |   |
| 416137      | WELL | PR     | 10/04/2012  | GW         | 045-19220 | CHEVRON TR 543-27-597 |   |
| 416139      | WELL | XX     | 03/14/2010  | LO         | 045-19221 | CHEVRON TR 14-26-597  | X |
| 416140      | WELL | PR     | 06/23/2011  | GW         | 045-19222 | CHEVRON TR 344-27-597 |   |
| 416148      | WELL | SI     | 06/10/2013  | GW         | 045-19223 | CHEVRON TR 42-34-597  |   |
| 416365      | WELL | XX     | 03/25/2010  | LO         | 045-19259 | CHEVRON TR 544-27-597 | X |

**Equipment:** Location Inventory

|                              |                         |                      |                          |
|------------------------------|-------------------------|----------------------|--------------------------|
| Special Purpose Pits: _____  | Drilling Pits: <u>2</u> | Wells: <u>21</u>     | Production Pits: _____   |
| Condensate Tanks: <u>2</u>   | Water Tanks: <u>6</u>   | Separators: <u>5</u> | Electric Motors: _____   |
| Gas or Diesel Mortors: _____ | Cavity Pumps: _____     | LACT Unit: _____     | Pump Jacks: _____        |
| Electric Generators: _____   | Gas Pipeline: <u>1</u>  | Oil Pipeline: _____  | Water Pipeline: <u>2</u> |
| Gas Compressors: _____       | VOC Combustor: _____    | Oil Tanks: _____     | Dehydrator Units: _____  |
| Multi-Well Pits: <u>1</u>    | Pigging Station: _____  | Flare: _____         | Fuel Tanks: _____        |

**Location**

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

Comment: \_\_\_\_\_

Corrective Action: \_\_\_\_\_

**Spills:**

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

**Venting:**

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

**Flaring:**

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

**Predrill**

Location ID: 324417

**Site Preparation:**

Lease Road Adeq.: \_\_\_\_\_ Pads: \_\_\_\_\_ Soil Stockpile: \_\_\_\_\_

Corrective Action: \_\_\_\_\_ Date: \_\_\_\_\_ CDP Num.: \_\_\_\_\_

**Form 2A COAs:**

| Group  | User      | Comment   | Date       |
|--------|-----------|---|------------|
| Agency | kubeczkod | Reserve pit must be lined.  | 02/04/2010 |
| Agency | kubeczkod | Operator must ensure 110 percent secondary containment for any volume of fluids contained at well site during drilling and completion operations. If fluids are conveyed via pipeline, operator must implement best management practices to contain any unintentional release of fluids.  | 02/04/2010 |
| Agency | kubeczkod | No portion of any pit that will be used to hold liquids shall be constructed on fill material, unless the pit and fill slope are designed and certified by a professional engineer, subject to review and approval by the director prior to construction of the pit. The construction and lining of the pit shall be supervised by a professional engineer or their agent. The entire base of the pit must be in cut. | 02/04/2010 |
| Agency | 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.   | 02/04/2010 |

**Comment:** \_\_\_\_\_

**CA:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Wildlife BMPs:** \_\_\_\_\_

| BMP Type             | Comment   |
|----------------------|---|
| <p>PROPOSED BMPs</p> | <p>2A Exhibit 10</p> <p>Site Specific Conditions and Storm Water Management Plan</p> <p>SITE DESCRIPTION:</p> <p>Project/Site Name: Chevron TR 44 -27 -597 Field Name: Trail Ridge</p> <p>Location: Section 27, Township 5 South, Range 97 West</p> <p>CDPS Permit #:COR- 03A116</p> <p>Site Type: Well Pad</p> <p>SWMP Administrator: Mike Gardner</p> <p>CDPS Permit Date: 05/16/06</p> <p>Estimated Disturbance: —10.8 Acres</p> <p>Inspection Type: 14 day upon construction; 30 day upon interim reclamation</p> <p>SOIL AND VEGETATION DESCRIPTION:</p> <p>Soil Types: Northwater -Adel complex, 5 to 50 percent slopes</p> <p>Parachute - Irigul -Rhone association, 5 to 30 percent slopes</p> <p>Parachute -bigul -Rhone association, 25 to 50 percent slopes</p> <p>Soil Erosion Potential: Moderate — Severe (Erodibility 0.50 — 0.75; USDA -NRCS WSS)</p> <p>Existing Vegetation Description:</p> <p>Dominated by shrubland species and assorted grasses intersecting forest land — aspen — to the northeast</p> <p>Pre - Disturbance Vegetative Cover: —60%</p> <p>Seed Mix for Interim Reclamation: Chevron High Elevation</p> <p>Final Stabilization Date: TBD</p> <p>RECEIVING WATERS</p> <p>Name of Receiving Waters: Crystal Creek</p> <p>Distance to Receiving Waters: —0.32 Miles</p> <p>Non -Storm Water Discharges: None Anticipated</p> <p>2A Exhibit 10</p> |

Description of Potential Pollution Sources: Refer to Trail Ridge Field Wide SWMP

PHASED BMP IMPLEMENTATION \*:

BMPs will be installed prior to, during, and immediately following construction as practicable with consideration given to safety, access, and ground conditions at the time of construction. Due to the nature of the topography at the site, any number of BMP combinations may be utilized at any phase of the project. Constant efforts will be employed to limit the extent of vegetative disturbance at the time of soil exposure during all construction activities and structural BMP implementation.

Through all phases of the project native vegetation will be preserved to the extent possible and utilized as a BMP to filter storm water and eliminate the possibility of pollutant laden storm water from reaching live water. As practicable, all topsoil

stockpiles will be located as to divert run -on and will be temporary seeded to maintain soil structure, microbial activity, soil fertility, establishment of invasive species and protect from erosion.

For BMP descriptions and installation details, refer to the Trail Ridge Field Wide SWMP and the "Storm Water and 404 Handbook of Best Management Practices (BMPs), January 2006."

Construction Phase:

A perimeter earthen berm will be constructed around the edge of the pad during well pad construction to prevent the potential offsite transport of pollutant laden storm water. A perimeter sediment ditch will be constructed along the outside edge of the well pad to prevent offsite transport of any potential pollutants carried via storm water runoff. Since the well pad is located along a ridge line there are two distinct drainage pattern; one

northwesterly the other southeasterly. Sediment traps implemented along the western perimeter of the pad will be located as follows: one near each pad corner and the third near mid -point of the reach. Sediment traps implemented along the eastern perimeter of the pad will be located as follows: one near mid -point of the reach at the lowest point of the perimeter ditch; and the other two located downgradient from the pad surface, opposite sides of the stockpile and at the edge of the bench before the grade steepens. These sediment traps are intended to eliminate sediment transport off location by reducing flow energy which limits the capacity to suspend sediment, increasing residence time of the storm water and therefore settling of suspended sediment. A brush barrier also parallels the western boundary of the well pad's disturbed area aiding in sediment and runoff control. All fill slopes will utilize native rock armoring to stabilize the slope

and reduce erosion potential during the construction phase. The use of redundant BMPs is employed to alleviate the potential of sediment or other pollutant laden storm water from migrating offsite due to failure of one or more of the sequential BMPs implemented.

Additional structural BMPs will be installed as necessary to ensure site stabilization and to protect surface water quality.

Interim Reclamation Phase:

After the well pad has been constructed, drilling and completions are completed, with production facilities in operation, the site will be graded to reduce cut and fill slopes to minimize the overall size of the well pad. Where practicable, the topsoil stockpile will be spread onto the re- contoured

|                      |   |
|----------------------|---|
|                      | <p>surface. Any remaining topsoil will be seeded to maintain stabilization and continued nutrient cycling. The well pad will be re- seeded upon</p> <p>completed grading activities. Permanent structural BMPs will be installed and maintained as necessary to assist in site stabilization during interim reclamation.</p> <p>Final Stabilization Phase:</p> <p>After all wells have been plugged and abandoned, and production facilities are removed, the well pad will be graded to restore pre - disturbance contours. Any remaining topsoil will be spread onto the re- contoured surface. The well pad will be re- seeded upon completed grading activities. Storm water inspections will continue until the site has reached a stabilization level of 70% of pre - disturbance conditions. Once the site reached final stabilization, a post construction storm water management program will be implemented per COGCC Final Amended Rules (December 17, 2008), Rule 1002 (f) (3).</p> <p>*NOTE:</p> <p>This document is intended to serve as a preliminary plan to document proposed stormwater management practices for this project. Any additional/alternative site stabilization and /or reclamation efforts may be employed in reflection of unforeseen site conditions or resource availability, and will be updated into the Ryan Gulch Field Wide SWMP per requirements of CDPS Permit COR- 03A115, regulated by the Colorado Department of Health and Environment's (CDPHE) General Permit No. COR- 03000.</p>                           |
| <p>PROPOSED BMPs</p> | <p>Proposed BMP's</p> <p>Williams Production RMT Company</p> <p>Chevron TR 44 -27 -597 Pad</p> <p>Attachment to Form 2A</p> <p>Williams Production RMT Company (Williams) is in the process of working with its surface owner, Chevron U.S.A. Inc (Chevron), to establish operational guidelines which incorporate measures recommended by the CDOW for protection of Greater Sage Grouse. For all well pads that are located within Greater Sage Grouse RSO lek areas, Williams and Chevron will enter into a separate Wildlife Mitigation Agreement, which will include additional measures above and beyond those laid forth in the Surface Damage Agreement for protection of Greater Sage Grouse Habitat.</p> <ul style="list-style-type: none"> <li>• Maximize the use of directional drilling to minimize habitat loss /fragmentation.</li> <li>• Minimize rig mobilization and demobilization where practicable by completing or re-completing all wells from a given well pad before moving rigs to a new location.</li> <li>• To the extent practicable, share and consolidate new corridors for pipeline rights -of -way and roads to minimize surface disturbance.</li> <li>• Engineer new pipelines to reduce field fitting and reduce excessive right -of -way widths and therefore subsequent reclamation requirements.</li> <li>• Plan new transportation networks and new oil and gas facilities to minimize surface disturbance and the number and length of oil and gas roads through the utilization of common roads, rights</li> </ul> |

- of way, and access points to the extent practicable.
- Post speed limits and caution signs to the extent allowed by surface owners, Federal and state regulations, local government, and land use policies, as appropriate.
  - Use remote monitoring of well production to the extent practicable.
  - Commensurate with the language set forth on the Surface Damage Agreement, interim and final reclamation shall be performed as early as practical and to the greatest extent possible.
  - Mow or brushhog vegetation where appropriate, leaving root structure intact, instead of scraping the surface, where allowed by the surface owner.
  - Apply an aggressive, integrated, noxious and invasive weed management plan. Utilize an adaptive management strategy that permits effective response(s) to monitored findings and reflects local site geography and conditions. Strip and segregate topsoil prior to construction. Appropriately configure topsoil piles and seed as immediate as practicable to control erosion, prevent weed establishment and maintain soil microbial activity.
  - Perform interim reclamation on all disturbed areas not needed for active support of production operations consistent with applicable timing restrictions and requirements.
  - Control weeds in areas surrounding reclamation areas, as reasonable, in order to reduce weed competition.
  - Educate employees and contractors about weed issues.
  - Maintain pre and post development site inspection records and monitor operations for compliance.
  - Utilize GIS technologies to assess the initial and final extent of disturbance and document reclamation progression.
  - Ensure that staging, refueling, and chemical storage areas are established outside of riparian zones and floodplains, as appropriate.
  - Use minimum practical construction widths for new rights -of -way where pipelines cross riparian areas, streams, and critical habitats where possible.
  - Store and stage emergency spill response equipment at strategic locations so that it is available to expedite effective spill response.
  - Treat waste water pits and any associated pit containing water that provides a medium for breeding mosquitoes with Bti (*Bacillus thuringiensis v. israelensis*) or other similar products, or take other effective action to control mosquito larvae that may spread West Nile Virus to wildlife, especially grouse.
  - Construct fluid pit fences and nets that are capable of withstanding animal pressure and environmental conditions and that are appropriately sized for the wildlife encountered.
  - Skim and eliminate oil from produced water ponds and fluid pits at a rate sufficient to prevent oiling of birds or other wildlife that could gain access to the pit and as consistent with COGCC skimming requirements.
  - Reclaim reserve pits as quickly as practical after drilling and and completions to ensure that pit contents do not offer the possibility of unnecessary environmental liability to the environment or local biota.
  - Install and retrofit, as pratical, dual pit liners beneath pits which may contain fluids to provide added protection groundwater, riparian and wetland resources in the immediate and adjacent area(s).

- Install and maintain adequate measures to exclude birds and big game from all fluid pits to the greatest extent possible (e.g. fencing, netting, and other appropriate exclusionary measures).
- Perform routine inspections of netting and pit liner systems to ensure proper function and condition for preventative maintenance and incident deterrence.

**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: 290849 Type: WELL API Number: 045-14225 Status: XX Insp. Status: ND

Facility ID: 301967 Type: WELL API Number: 045-18340 Status: XX Insp. Status: ND

Facility ID: 301968 Type: WELL API Number: 045-18341 Status: XX Insp. Status: ND

Facility ID: 301970 Type: WELL API Number: 045-18343 Status: XX Insp. Status: ND

Facility ID: 416139 Type: WELL API Number: 045-19221 Status: XX Insp. Status: ND

Facility ID: 416365 Type: WELL API Number: 045-19259 Status: XX Insp. Status: ND

**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: 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: 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 \_\_\_\_\_

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: