

**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:

09/11/2014

Document Number:

673900498

Overall Inspection:

SATISFACTORY**FIELD INSPECTION FORM**

| | | | | | |
|---------------------|-------------|--------|-----------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | 433003 | 433004 | Rains, Bill | <input type="checkbox"/> | |

Operator Information:

OGCC Operator Number: 8960

Name of Operator: BONANZA CREEK ENERGY OPERATING COMPANY

Address: 410 17TH STREET SUITE #1400

City: DENVER State: CO Zip: 80202

- ☐ THIS IS A FOLLOW UP INSPECTION
- ☐ FOLLOW UP INSPECTION REQUIRED
- ☒ NO FOLLOW UP INSPECTION REQUIRED
- ☐ INSPECTOR REQUESTS FORM 42 WHEN CORRECTIVE ACTIONS ARE COMPLETED

Contact Information:

| Contact Name | Phone | Email | Comment |
|--------------|-------|--------------------|-------------------------|
| Jones, Allen | | jaj@bonanzacrk.com | send all Insp. to Allen |

Compliance Summary:

QtrQtr: NENE Sec: 30 Twp: 5N Range: 62W

Inspector Comment:**Related Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status | |
|-------------|------|--------|-------------|------------|-----------|------------------------------|-------------|-------------------------------------|
| 433003 | WELL | PR | 09/03/2013 | | 123-37406 | State Antelope 41-44-30HNB | PR | <input checked="" type="checkbox"/> |
| 435390 | WELL | DG | 01/05/2014 | OW | 123-38587 | State Antelope P-T-30HNB | PR | <input checked="" type="checkbox"/> |
| 435391 | WELL | DG | 02/07/2014 | OW | 123-38588 | State Antelope U41-Y44-30HNB | PR | <input checked="" type="checkbox"/> |
| 435392 | WELL | DG | 02/17/2014 | OW | 123-38589 | State Antelope U-Y-30HNB | PR | <input checked="" type="checkbox"/> |
| 435393 | WELL | DG | 01/25/2014 | OW | 123-38590 | State Antelope P41-T44-30HNB | PR | <input checked="" type="checkbox"/> |

Equipment:**Location Inventory**

| | | | |
|-------------------------------------|------------------------------|-----------------------------|---------------------------------|
| Special Purpose Pits: <u> </u> | Drilling Pits: <u> </u> | Wells: <u>7</u> | Production Pits: <u> </u> |
| Condensate Tanks: <u>28</u> | Water Tanks: <u>7</u> | Separators: <u>7</u> | Electric Motors: <u>7</u> |
| Gas or Diesel Mortors: <u>7</u> | Cavity Pumps: <u> </u> | LACT Unit: <u> </u> | Pump Jacks: <u>7</u> |
| Electric Generators: <u>4</u> | Gas Pipeline: <u>1</u> | Oil Pipeline: <u> </u> | Water Pipeline: <u> </u> |
| Gas Compressors: <u>6</u> | VOC Combustor: <u>7</u> | Oil Tanks: <u> </u> | Dehydrator Units: <u> </u> |
| Multi-Well Pits: <u> </u> | Pigging Station: <u>1</u> | Flare: <u> </u> | Fuel Tanks: <u> </u> |

Location

Inspector Name: Rains, Bill

| Signs/Marker: | | | | |
|----------------------|------------------------------|---------|-------------------|---------|
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| CONTAINERS | SATISFACTORY | | | |
| TANK LABELS/PLACARDS | SATISFACTORY | | | |
| BATTERY | SATISFACTORY | | | |
| WELLHEAD | SATISFACTORY | | | |

Emergency Contact Number (S/A/V): SATISFACTORY

Corrective Date: _____

Comment: _____

Corrective Action: _____

| Good Housekeeping: | | | | |
|---------------------------|------------------------------|------------------------------|-------------------------|------------|
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| UNUSED EQUIPMENT | ACTION REQUIRED | UNUSED EQUIPMENT ON LOCATION | REMOVE UNUSED EQUIPMENT | 09/25/2014 |

| Spills: | | | | |
|----------------|------|--------|-------------------|---------|
| Type | Area | Volume | Corrective action | CA Date |

☐ Multiple Spills and Releases?

| Fencing/: | | | | |
|------------------|------------------------------|---------|-------------------|---------|
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| LOCATION | SATISFACTORY | WIRE | | |

| Equipment: | | | | | |
|-----------------------------|----|------------------------------|--------------------------|-------------------|---------|
| Type | # | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| Compressor | 4 | SATISFACTORY | | | |
| Ancillary equipment | 8 | SATISFACTORY | CHEM PUMPS AND OIL TANKS | | |
| Bird Protectors | 15 | SATISFACTORY | | | |
| Horizontal Heated Separator | 5 | SATISFACTORY | | | |
| Emission Control Device | 10 | SATISFACTORY | | | |
| Vertical Separator | 3 | SATISFACTORY | | | |
| Plunger Lift | 5 | SATISFACTORY | | | |
| Gas Meter Run | 10 | SATISFACTORY | | | |

| | | | | |
|--------------------|---|-----------------------------------|-----------------|------------------|
| Facilities: | | <input type="checkbox"/> New Tank | Tank ID: _____ | |
| Contents | # | Capacity | Type | SE GPS |
| | | | CENTRALIZED PAD | , |
| S/A/V: | | | Comment: | |
| 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 | |
|---------|--|

| | | |
|--------------------|-----------------------------------|----------------|
| Facilities: | <input type="checkbox"/> New Tank | Tank ID: _____ |
|--------------------|-----------------------------------|----------------|

| | | | | |
|----------------|---|-----------|-------------|--------|
| Contents | # | Capacity | Type | SE GPS |
| PRODUCED WATER | 2 | <100 BBLS | BV CONCRETE | , |

| | | | |
|--------|--------------|----------|--|
| S/A/V: | SATISFACTORY | Comment: | |
|--------|--------------|----------|--|

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

Inspector Name: Rains, Bill

| | | | | |
|--------------------|--------------|-----------------------------------|----------------|------------------|
| Facilities: | | <input type="checkbox"/> New Tank | Tank ID: _____ | |
| Contents | # | Capacity | Type | SE GPS |
| PRODUCED WATER | 2 | 500 BBLS | STEEL AST | , |
| S/A/V: | SATISFACTORY | | Comment: | |
| Corrective Action: | | | | Corrective Date: |

Paint

| | |
|-----------|----------|
| Condition | Adequate |
|-----------|----------|

Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

| | | | | |
|------|----------|---------------------|---------------------|-------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| | | | | |

| | |
|-------------------|-----------------|
| Corrective Action | Corrective Date |
| Comment | |

| | | | | |
|--------------------|--------------|-----------------------------------|----------------|-----------------------|
| Facilities: | | <input type="checkbox"/> New Tank | Tank ID: _____ | |
| Contents | # | Capacity | Type | SE GPS |
| CRUDE OIL | 15 | 500 BBLS | STEEL AST | 40.376190,-104.358890 |
| S/A/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 |
| NO | |

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

Predrill

Location ID: 433003

Site Preparation:

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

S/A/V: _____

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

Form 2A COAs:**S/A/V:** _____ **Comment:** _____**CA:** _____ **Date:** _____**Wildlife BMPs:**

| BMP Type | Comment |
|--------------|---|
| Construction | <p>Bonanza Creek Energy Best Management Practices for Installation of Cement Water Vaults at locations Associated with Shallow Groundwater</p> <p>The following procedure describes construction practices for setting a partially buried pre-cast cement water vault on locations characterized as containing shallow depth to groundwater.</p> <ol style="list-style-type: none"> 1) The excavation will first be lined with 4" of clay or other low permeability soil. 2) A 30 mil liner will be installed on top of the low permeability soil. The 30 mil liner will be a contiguous liner which will underlay the entire tank battery. 3) The tank battery / water vault liner will be keyed into a galvanized steel containment ring installed surrounding the tank battery. 4) Sand bedding will be installed to protect the synthetic liner prior to placing equipment in the containment area. |

S/A/V: _____ **Comment:** _____**CA:** _____ **Date:** _____**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:**Facility**

Inspector Name: Rains, Bill

Facility ID: 433003 Type: WELL API Number: 123-37406 Status: PR Insp. Status: PR

Producing Well

Comment: PR

Facility ID: 435390 Type: WELL API Number: 123-38587 Status: DG Insp. Status: PR

Producing Well

Comment: PR

Facility ID: 435391 Type: WELL API Number: 123-38588 Status: DG Insp. Status: PR

Producing Well

Comment: PR

Facility ID: 435392 Type: WELL API Number: 123-38589 Status: DG Insp. Status: PR

Producing Well

Comment: PR

Facility ID: 435393 Type: WELL API Number: 123-38590 Status: DG Insp. Status: PR

Producing Well

Comment: PR

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): Y

Comment:

Pilot: ON Wildlife Protection Devices (fired vessels): YES

Reclamation - Storm Water - Pit

Interim Reclamation:

Date Interim Reclamation Started: Date Interim Reclamation Completed:

Land Use: RANGELAND

Comment:

1003a. Debris removed? Pass CM

CA _____ CA Date _____
 Waste Material Onsite? Pass CM _____
 CA _____ CA Date _____
 Unused or unneeded equipment onsite? In 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? _____
 1003d. Drilling pit closed? Pass 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? Pass Segregated soils have been replaced? Pass

RESTORATION AND REVEGETATIONCropland

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

Non-Cropland

Top soil replaced Pass Recontoured Pass 80% Revegetation _____

1003 f. Weeds Noxious weeds? _____

Comment: _____

Overall Interim Reclamation Pass

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 _____

Inspector Name: Rains, Bill

Overall Final Reclamation _____

Well Release on Active Location ☐

Multi-Well Location ☐

Storm Water:

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Gravel | Pass | Gravel | Pass | MHSP | Pass | |

S/A/V: SATISFACTOR Y
Corrective Date: _____

Comment: _____

CA: _____

Pits: ☒ NO SURFACE INDICATION OF PIT