

STATE OF
COLORADO

Costa - DNR, Ryan <ryan.costa@state.co.us>

Bayhorse Petroleum Field Inspection Responses

2 messages

Larry Manikowski <lfmanski@aol.com>

Sat, Mar 21, 2015 at 12:09 PM

To: ryan.costa@state.co.us

Ryan,

Attached are the required Field Inspection Responses for your
Field Inspection Form Document #'s
673502169 & 673502170

Larry F Manikowski
President & CEO/CFO
Bayhorse Petroleum, LLC
(801) 913-1640

2 attachments

 **Field Inspection Response TW5-21.pdf**
1123K

 **Field Inspection Response TH1-22.pdf**
1048K

Costa - DNR, Ryan <ryan.costa@state.co.us>

Tue, Mar 24, 2015 at 8:22 AM

To: Larry Manikowski <lfmanski@aol.com>

Mr. Manikowski,

I appreciate you taking time to respond to the issues that were presented by the field inspection form documents 673502169 & 673502170.

I wanted to respond to your comments regarding a few of the issues. You had written under Predrill - Site Preparation, that the "Topsoil horizons are very thin and minimal in this area." Please refer to Rule 1002 b. (2) which says as to all excavation operations to separate and store the topsoil horizon or the top six (6) inches, whichever is deeper. The NRCS site description of the location indicates 7—Valent-Vonid complex with an A horizon of up to 6".

Another note that was under the Reclamation- Stormwater- Pit stated, "We cut the weeds on this new access road, and did not remove topsoil in order for the topsoil weeds to continue after we were done with drilling." During my inspection I noticed the vegetation that had been cut along the access road was predominately native vegetation and not weeds. This can also be seen in the photos as well. Regardless weeds cannot be used to revegetate the disturbed areas and will need to be controlled if present.

Additionally you had written that the "railroad crossing, which was expected to help keep mud from the highway." I would not think that this would be an appropriate BMP and the railroad track may need to be kept cleaned as well?

Again, Thank you for your written response and let me know if you have any question.

Ryan



BAYHORSE PETROLEUM, LLC

2558 E. Portsmouth Ave.

Salt Lake City, UT 84121-5627

(801) 913-1640

March 20, 2015

State of Colorado
Oil and Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, CO 80203
Attn: Ryan Costa

Ref: Field Inspection Form Document # 673502169 (Trade Winds 5-21)

Dear Mr. Costa,

The following is in response to your Field Inspection conducted on March 3, 2015, and written report received by us on March 16, 2015 for our Trade Winds 5-21 Well drilled during the period of March 4th thru March 12th, 2015.

Location - Lease Road Access:

Vehicles were driving outside of the access road causing unreasonable land damage. Restrict vehicle access to lease road only.

There were apparently some vehicle traffic that strayed outside of the lease road during rig move-in. This was most likely caused by (2) different vehicles traveling in opposite directions and passing one another during the rig move-in. A total of 23 truckloads were used during rig move-in, as well as other vendors' vehicles in preparations for drilling start-up operations.

Along with our fully-fenced drilling access area, we have placed periodic wooden road stakes with red ribbons to designate the road route to the locations, and have informed all vendors to not stray from the lease road. We will continue to monitor for compliance.

Predrill – Site Preparation and COGCC Comments:

There did not appear to be enough topsoil salvaged. It was noticed at the time of the inspection that topsoil was being compacted and mixed in with other material. Provide details of how much topsoil was salvaged and where the topsoil is stored and how it is being protected from oil/gas activities.

As referenced in your location photos, the topsoil was stored in the NE corner of the wellsite pad and amounted to approximately 60' x 10' x 5' or roughly 3,000 cubic feet of topsoil. The drillsite pad did not require much leveling, and the excavation company stated there was not much topsoil. The topsoil horizons are very thin and minimal in this area, and consist mostly of sand and sugar sand. The main BMP erosion issue in Kiowa County has always been wind erosion via blowing sand and dust. We have since filled in the pits other than the reserve pit, and re-leveled the drillsite pad with the stored topsoil, and covered with manure to protect from blowing sand. This method has been used repeatedly in Kiowa County and is strongly requested by most if not all of the farmers/ranchers in the area. We will be taking soil samples and will re-seed this spring, using the appropriate seed mix.

Reclamation – Storm Water – Pit:

There was no BMP's in place at the time of the inspection. The location and access road is susceptible to erosion. Vehicle traffic from the location was tracking mud onto Highway 96. Implement BMP's where needed around the location and along the access road to prevent erosion and vehicle tracking onto the highway.

We utilized existing access roads thru our existing production areas to access the new drill site. We only used a small lease road access from our existing production to the new drill site. We are using the same lease road access to connect to our 2nd drill site now being drilled. We cut the weeds on this new access road, and did not remove topsoil in order for the topsoil weeds to continue after we were done with drilling, assuming the road would no longer be needed. We filled in low spots with dirt, if needed, and utilized manure, if needed, to prevent wind erosion. We also sprinkled water

if needed to prevent wind erosion. If the drill sites are not completed, we will re-seed this spring.

There apparently was mud tracked onto Highway 96 during Rig Move-In. 23 truckloads were involved. A previous snowstorm leaving 1' of snow had occurred days before this, so the lease roads were still wet. The access road off of Highway 96 has a railroad crossing, which was expected to help keep mud from the highway. We have since kept the highway access area free from mud, and will continue to self-inspect and monitor in case of wet weather.

L. F. Manikowski

Larry F. Manikowski
President & CEO/CFO
Bayhorse Petroleum, LLC
(801)913-1640 cell
(888) 759-3730 fax
lfmanski@aol.com