



**Ben Mitchell**  
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**Hilcorp Energy Company**  
**GP of Hilcorp San Juan, L.P.**  
382 Road 3100  
Aztec, NM 87410

Marie Shields Trust  
ATTN: Aleta Klahre  
505 CR 228  
Durango, CO 81301

**RE:** Request to Remove Equipment from Location  
Shields Marie 2 6 2 Gas Well (API# 0506707929)

To whom it may concern,

I hope this message finds you well.

I am writing in regards to a certain parcel of property located within La Plata County, CO which public record details you as the holder of title. Hilcorp, as successor in interest to XTO Energy, is the operator of record for an existing natural gas well site within the boundary of your lands.

At this time Hilcorp has been issued a Field Inspection Form requesting corrective action(s), I have attached said form hereto, from the State of Colorado Oil and Gas Conservation Commission ("COGCC"). While I personally have discussed with Ms. Catherine Roy, from the COGCC, that neither the unused equipment nor the land which it is on is that of Hilcorp, she refuses to acknowledge this and has repeatedly submitted corrective actions for this type of situation. At this time Hilcorp is requesting your assistance and to please remove the unused equipment from the well location.

As noted above you will find the Filed Inspection Form attached hereto. **Should you want to discuss with Ms. Catherine Roy her phone number is (970) 946-9107.**

Please contact me at your earliest convenience should you need to discuss.

Sincerely,  
Hilcorp San Juan, L.P.  
By: Hilcorp Energy Company  
Its General Partner

A handwritten signature in blue ink, appearing to read 'Ben Mitchell'.

Ben Mitchell  
Landman

<b>FORM</b> <b>INSP</b> Rev X/15	<b>State of Colorado</b> <b>Oil and Gas Conservation Commission</b> 1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109	 	Inspection Date: <u>12/18/2019</u> Submitted Date: <u>12/19/2019</u> Document Number: <u>693901235</u>
<b>FIELD INSPECTION FORM</b>			

Loc ID <u>326370</u>	Inspector Name: <u>ROY, CATHERINE</u>	On-Site Inspection <input type="checkbox"/>	2A Doc Num: _____	<b>Status Summary:</b> <input type="checkbox"/> THIS IS A FOLLOW UP INSPECTION <input checked="" type="checkbox"/> FOLLOW UP INSPECTION REQUIRED <input type="checkbox"/> NO FOLLOW UP INSPECTION REQUIRED  <b>Findings:</b> <u>7</u> Number of Comments <u>2</u> Number of Corrective Actions <input checked="" type="checkbox"/> Corrective Action Response Requested
<b>Operator Information:</b> OGCC Operator Number: <u>10133</u> Name of Operator: <u>HILCORP ENERGY COMPANY</u> Address: <u>P O BOX 61229</u> City: <u>HOUSTON</u> State: <u>TX</u> Zip: <u>77208</u>				<b>ANY CORRECTIVE ACTION(S) FROM PREVIOUS INSPECTIONS THAT HAVE NOT BEEN ADDRESSED ARE STILL APPLICABLE</b>

**Contact Information:**

Contact Name	Phone	Email	Comment
Ray, Mandy	(505) 599-4083	mray@hilcorp.com	All Inspections
Shorty, Priscilla		pshorty@hilcorp.com	All SW Inspections

**Inspected Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
216323	WELL	PR	05/20/1993	GW	067-07929	SHIELDS 2-6	RI

**General Comment:**

On 12/18/2019, Catherine Roy conducted a reclamation and stormwater inspection. During this inspection the following compliance issues were observed:

-Junk, debris, unused equipment stored within the project area needs to be removed and properly stored/disposed of by 1/31/2020.

See below, and attached photos for additional detail.

**Inspected Facilities**

Facility ID: 216323 Type: WELL API Number: 067-07929 Status: PR Insp. Status: RI

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**Reclamation - Storm Water - Pit**

**Interim Reclamation:**

Date Interim Reclamation Started: \_\_\_\_\_ Date Interim Reclamation Completed: \_\_\_\_\_

Land Use: \_\_\_\_\_

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

**1002 SITE PREPARATION AND STABILIZATION**

1002a. FENCING \_\_\_\_\_

Comment \_\_\_\_\_

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

Date \_\_\_\_\_

1002b. SOIL REMOVAL AND \_\_\_\_\_

Comment \_\_\_\_\_

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

Date \_\_\_\_\_

1002c. PROTECTION OF SOILS \_\_\_\_\_

Comment \_\_\_\_\_

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

Date \_\_\_\_\_

1002E. SURFACE DISTURBANCE MINIMIZATION \_\_\_\_\_

Comment \_\_\_\_\_

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

Date \_\_\_\_\_

1003a. Waste and Debris removed? **Fail**

Comment **Waste and debris observed within the eastern project area.**

Corrective Action **Remove and properly dispose of waste nad debris.**

Date **01/31/2020**

Unused or unneeded equipment onsite? **Fail**

Comment **Unused equipment observed within the project area.**

Corrective Action **Remove and properly store unused equipment.**

Date **01/31/2020**

Pit, cellars, rat holes and other bores closed? \_\_\_\_\_

Comment \_\_\_\_\_

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

Date \_\_\_\_\_

Guy line anchors marked? \_\_\_\_\_

Comment \_\_\_\_\_

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

Date \_\_\_\_\_

1003b. Area no longer in use? \_\_\_\_\_ Production areas stabilized ? Pass

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 \_\_\_\_\_

1003e. INTERIM VEGETATION TRANSECT

TRANSECT RESULTS OF DISTURBED AREA% \_\_\_\_\_

TRANSECT RESULTS OF REFERENCE AREA% \_\_\_\_\_

TOTAL % OF DESIRABLE VEGETATION COVEF \_\_\_\_\_

VEGETATIVE COVER \_\_\_\_\_

1003 f. Weeds Noxious weeds? \_\_\_\_\_

Comment Location is partially snow covered at the time of this inspection. As there is room for storage for unused equipment/debris within the project area, operator needs to assess whether interim reclamation is sufficiently conducted. If additional area is available then it needs to be interim reclaimed. Revegetation appears to be progressing within the outer reclamation areas.

Corrective Action

Date \_\_\_\_\_

Overall Interim Reclamation

**Final Reclamation/ Abandoned Location:**

Date Final Reclamation Started: \_\_\_\_\_ Date Final Reclamation Completed: \_\_\_\_\_

Final Land Use: \_\_\_\_\_

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 \_\_\_\_\_

1004.d. FINAL VEGETATION TRANSECT

TRANSECT RESULTS OF DISTURBED AREA% \_\_\_\_\_

TRANSECT RESULTS OF REFERENCE AREA% \_\_\_\_\_

TOTAL % OF DESIRABLE VEGETATION COVER \_\_\_\_\_

VEGETATIVE COVER \_\_\_\_\_

Comment:

Inspector Name: ROY, CATHERINE

Corrective Action: _____	Date _____	
Overall Final Reclamation _____	Well Release on Active Location <input type="checkbox"/>	Multi-Well Location <input type="checkbox"/>

**Storm Water:**

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment

Comment: Due to snow cover, a detailed stormwater assessment was not conducted. Stormwater erosion was not observed in areas where snow is not present.

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

**Pits:**  NO SURFACE INDICATION OF PIT

**Attached Documents**

You can go to COGCC Images (<https://cogcc.state.co.us/weblink/>) and search by document number:

Document Num	Description	URL
693901237	Inspection Photos	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5017933">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5017933</a>

**Inspection Photos**  
**Operator: Hilcorp Energy**  
**Location/API #: 067-07929**  
**Date: 12-18-2019**

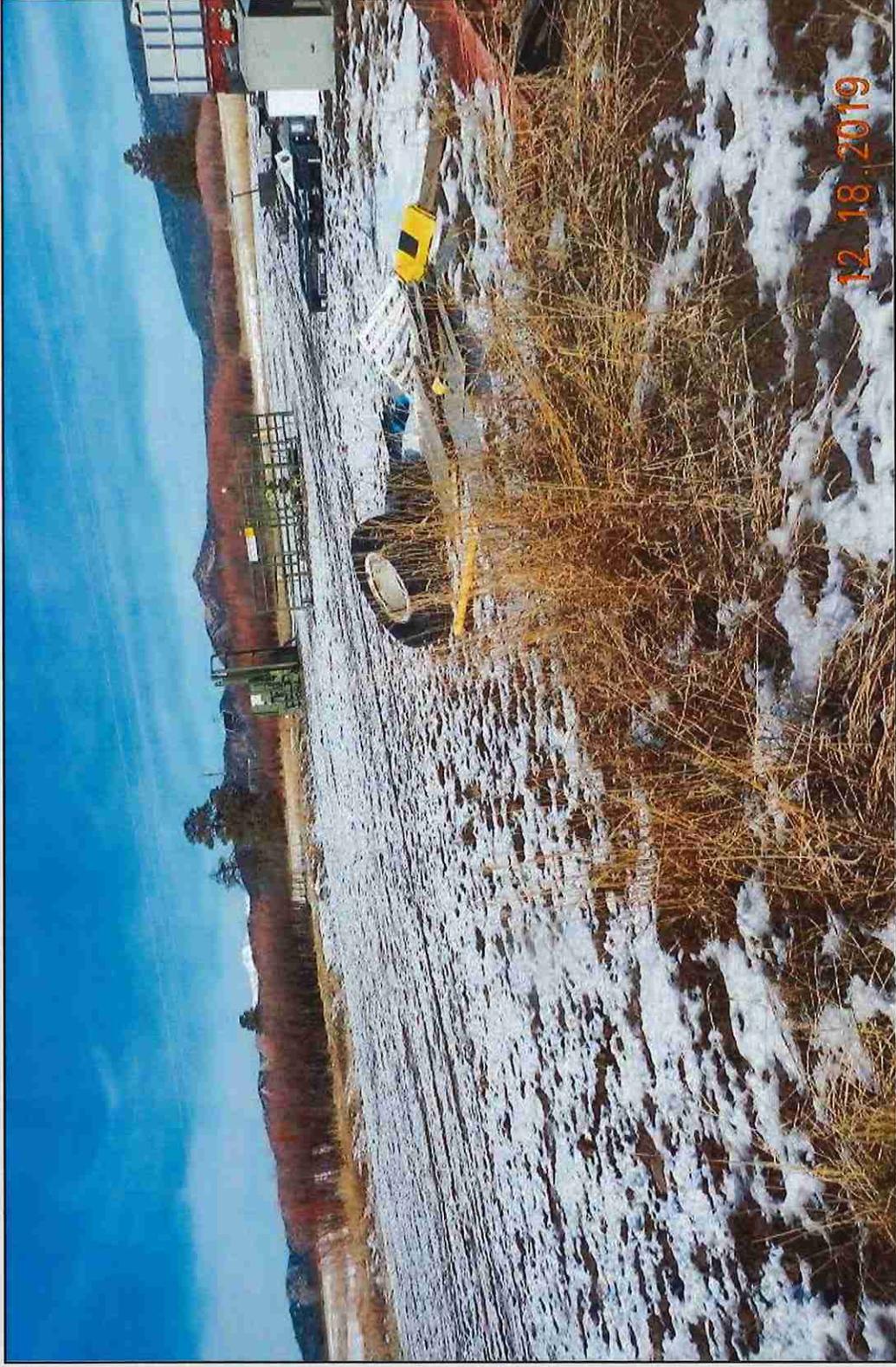


Photo 1. View of the project area from the southeastern corner facing center.

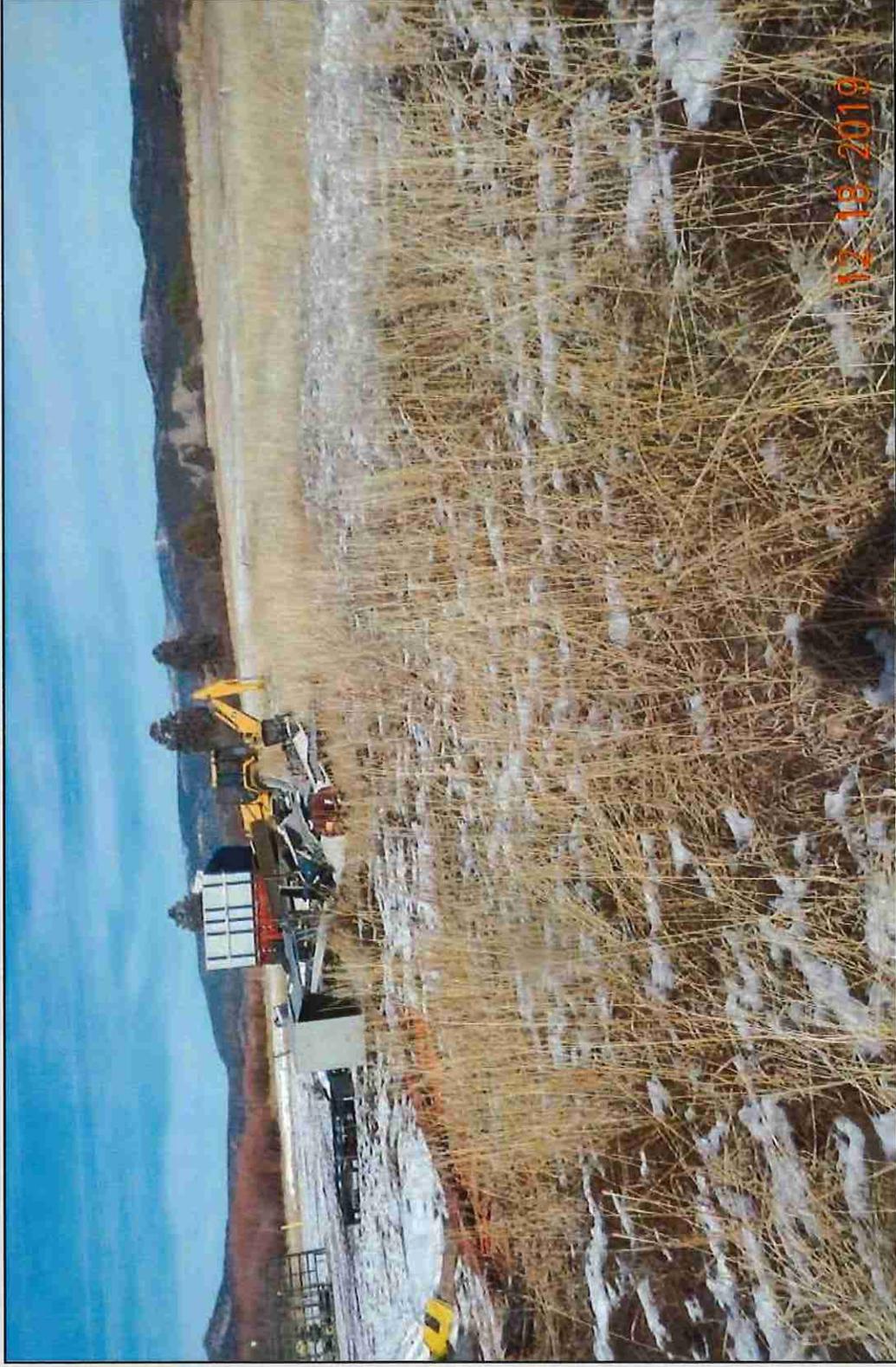


Photo 2. View of the eastern fill slope from the southeastern corner facing northward. Location is partially snow covered at this time. Revegetation is in a dormant vegetative condition, and largely comprised of smooth brome, western wheatgrass, and sand dropseed. Junk, debris, and unused equipment stored within the eastern project area.



Photo 3. View of unused equipment, junk, and debris in the eastern project area; needs to be removed.

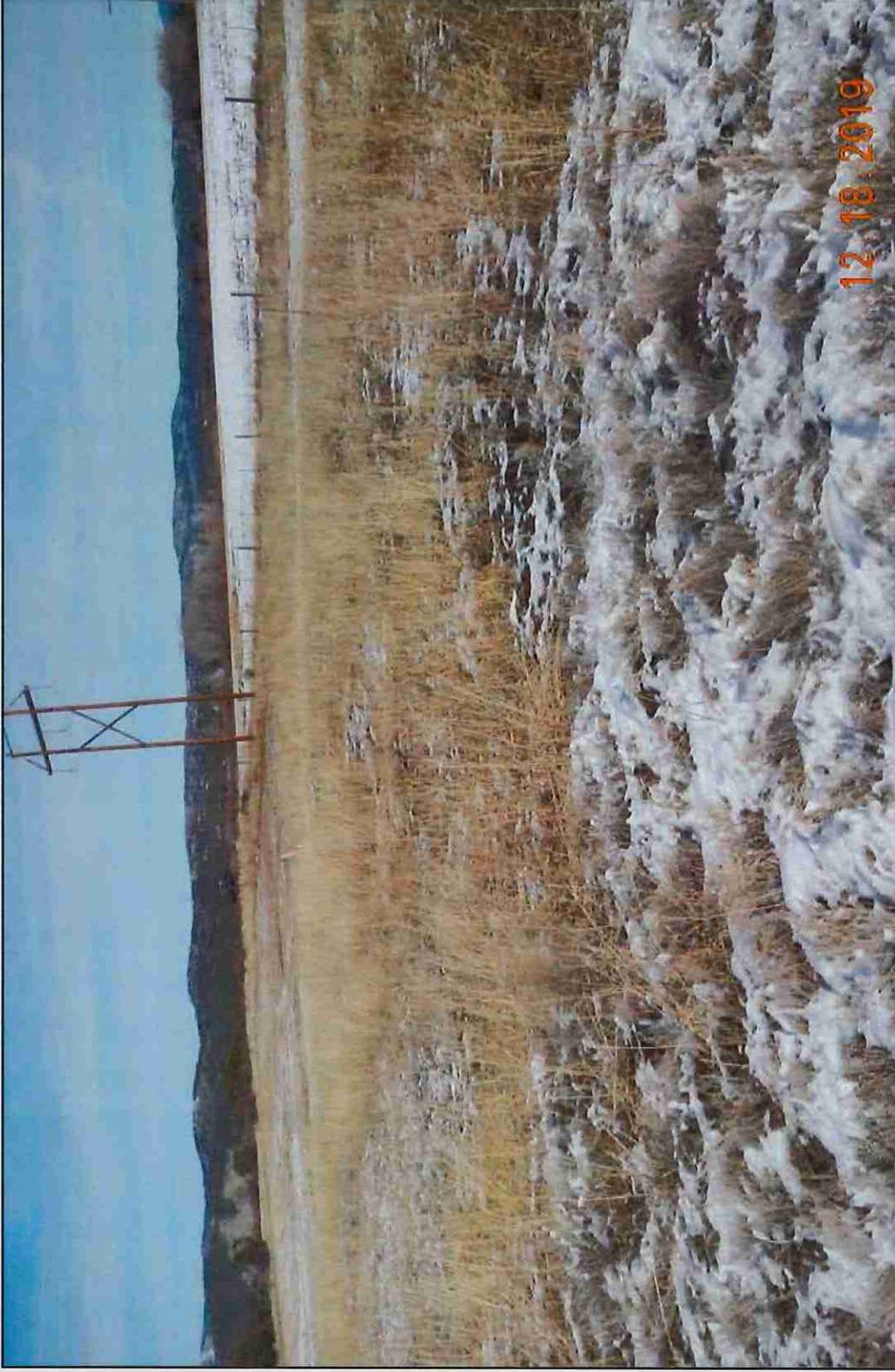


Photo 4. View of reference area comprised grass field, largely comprised of smooth brome in dormant vegetative condition.