

**FORM
INSP**Rev
X/15**State of Colorado
Oil and Gas Conservation Commission**1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109

Inspection Date:

10/22/2020

Submitted Date:

10/22/2020

Document Number:

696302583**FIELD INSPECTION FORM**Loc ID 327562 Inspector Name: PETRIE, ERICA On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**OGCC Operator Number: 70385Name of Operator: SMITH ENERGY CORPAddress: 12706 SHILOH RDCity: GREELEY State: CO Zip: 80631**Status Summary:**

- ☒ THIS IS A FOLLOW UP INSPECTION
- ☒ FOLLOW UP INSPECTION REQUIRED
- ☐ NO FOLLOW UP INSPECTION REQUIRED

Findings:12 Number of Comments5 Number of Corrective Actions☒ Corrective Action Response Requested**ANY CORRECTIVE ACTION(S) FROM
PREVIOUS INSPECTIONS THAT HAVE NOT
BEEN ADDRESSED ARE STILL APPLICABLE****Contact Information:**

| Contact Name | Phone | Email | Comment |
|--------------|----------------|----------------------------------|----------------------|
| Smith, Chris | 303-709-6157 | smithenergy@live.com | VP; North operations |
| , | | dnr_cogccengineering@state.co.us | |
| Smith, Glenn | (970) 330-7034 | gsmithten@what-wire.com | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|---------------|-------------|
| 247064 | WELL | SI | 06/01/2018 | OW | 123-14861 | TAYLOR 15-1 | SI |

General Comment:

This is a Follow-Up Inspection to FIR 696301786. Any Corrective Actions not address are STILL applicable

| Location | | | |
|--|--|--------|------------------|
| Lease Road: | | | |
| Type | Access | | |
| comment: | Access Road has Weed overgrowth on it, see photos | | |
| Corrective Action | Comply with Rule 603.f. | Date: | 11/06/2020 |
| Overall Good: <input type="checkbox"/> | | | |
| Signs/Marker: | | | |
| Type | WELLHEAD | | |
| Comment: | Adequate | | |
| Corrective Action: | | Date: | |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | Adequate | | |
| Corrective Action: | | Date: | |
| Type | BATTERY | | |
| Comment: | Adequate | | |
| Corrective Action: | | Date: | |
| Emergency Contact Number: | | | |
| Comment: | | | |
| Corrective Action: | | | Date: _____ |
| Good Housekeeping: | | | |
| Type | WEEDS | | |
| Comment: | Weeds at Tank Battery, see photo. Same Corrective Action date remains | | |
| Corrective Action: | Comply with Rule 603.f. | Date: | 10/18/2019 |
| Type | OTHER | | |
| Comment: | Stained Soil at Loadline, see photos | | |
| Corrective Action: | Securely fasten all valves, pipes, and fittings to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 605.d. For localized stained soils or oily waste - "Properly dispose of oily waste in accordance with 907.e." | | Date: 05/22/2020 |
| Type | WEEDS | | |
| Comment: | Weeds at Pumping Unit, see photo. Same Corrective Action date remains | | |
| Corrective Action: | Comply With Rule 603.f. | Date: | 10/18/2019 |
| Overall Good: <input type="checkbox"/> | | | |
| Spills: | | | |
| Type | Area | Volume | |
| In Containment: No | | | |
| Comment: | | | |
| <input type="checkbox"/> Multiple Spills and Releases? | | | |
| Equipment: | | | |
| Type: Vertical Heater Treater | # 1 | | corrective date |
| Comment: | | | |

| | | | |
|--------------------------|----------------------------------|-------|--|
| Corrective Action: | | Date: | |
| Type: VRU | # 1 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Gas Meter Run | # 2 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Pump Jack | # 1 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Vertical Separator | # 2 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Bradenhead | # 1 | | |
| Comment: | Appears to be plumbed to surface | | |
| Corrective Action: | | Date: | |
| Type: Deadman # & Marked | # 4 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Tanks and Berms:

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|---|----------|-----------|---------|-----------------------|
| CRUDE OIL | 1 | 300 BBLS | STEEL AST | | 40.482310,-104.185610 |
| Comment: | | | | | |
| Corrective Action: | | | | | Date: |

Paint

| | |
|------------------|----------|
| Condition | Adequate |
| Other (Content) | |
| Other (Capacity) | |
| Other (Type) | |

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|--------------------|----------|---------------------|---------------------|-------------|
| Earth | Adequate | Walls Sufficient | Base Sufficient | Adequate |
| Comment: | | | | |
| Corrective Action: | | | | Date: |

Venting:

| | | |
|--------------------|--|-------|
| Yes/No | | |
| Comment: | | |
| Corrective Action: | | Date: |

Flaring:

| | |
|------|--|
| Type | |
|------|--|

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

Inspected FacilitiesFacility ID: 247064 Type: WELL API Number: 123-14861 Status: SI Insp. Status: SI**Idle Well**Purpose: ☒ Shut In ☐ Temporarily Abandoned

Reminder: _____

Comment: SI - Shut-In since 06/01/2018. 2-Year MIT is due by 06/01/2020 per Rule 326.b. Well is overdue for Mechanical Integrity Test. MIT requires 10-day notification via Form 42. Well plugging requires an approved Form 6 Intent to Abandon to Plug Well.

Corrective Action: Produce well after performing successful mechanical integrity test per Rule 326 or plug well. To maintain shut-in status, the well must be able to demonstrate ability to produce without mechanical intervention.

Date: 01/22/2021

Reclamation - Storm Water - Pit**Storm Water:**

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

Comment:

Corrective Action:

Date: _____

Pits: ☐ NO SURFACE INDICATION OF PITType: Produced Water

Lined:

Pit ID:

Lat: 40.482730Long: -104.185670Reference Point: SE

Other: _____

Length: 15Width: 12**Lining:**

Liner Type:

Liner Condition:

Comment:

Corrective Action

Date:

Fencing:

Fencing Type:

Fencing Condition:

Comment:

Corrective Action

Date:

Netting:

Netting Type:

Netting Condition:

Comment:

Corrective Action

Date:

Anchor Trench Present: NOOil Accumulation: NO2+ feet Freeboard: YES

Comment:

Corrective Action

Date:

COGCC Comments

| Comment | User | Date |
|---|--------|------------|
| <p>COGCC Inspection Report Summary:</p> <p>On Wednesday 10/07/2020 at approximately 11:39. I, Inspector, Erica Petrie, conducted a Follow-Up On-Site Inspection at SMITH ENERGY CORP, Taylor 15-1, Location ID: 327562 in Weld County, Colorado While there, I observed Production Observations</p> <p>Entire Well, Battery & Equipment is shut-down.</p> <p>Weed encroachment at Lease Road, Pumping Unit, Tank Battery, Treater, & H2O pit. See photos. Remove, manage, & control weeds at wellsite, tank battery, treater, & H2O pit. Comply with Rule 603.f. Corrective Action date: 10/18/2019.</p> <p>Well SI since 06.01.2018 no MIT on record. Well is overdue for Mechanical Integrity Test. MIT requires 10-day notification via Form 42. Well plugging requires an approved Form 6 Intent to Abandon to Plug Well. Produce well after performing successful Mechanical Integrity Test per Rule 326 or plug well. To maintain shut-in status, the well must be able to demonstrate ability to produce without mechanical intervention. Corrective Action date: 01/22/2021.</p> <p>A follow up site inspection will be conducted to ensure the compliance issues have been corrected to comply with COGCC rules. This is a summary of the inspection report.</p> | petrie | 10/22/2020 |

Attached Documents

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

| Document Num | Description | URL |
|--------------|----------------------|---|
| 402517606 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5276602 |
| 696302584 | Photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5276598 |