

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



Inspection Date:
06/28/2016
Document Number:
673713417
Overall Inspection:
SATISFACTORY

FIELD INSPECTION FORM

| | | | | | |
|---------------------|---------------|---------------|-----------------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | <u>414278</u> | <u>414280</u> | <u>Sherman, Susan</u> | <input type="checkbox"/> | |

Operator Information:

| | |
|-----------------------|---|
| OGCC Operator Number: | <u>10399</u> |
| Name of Operator: | <u>NIGHTHAWK PRODUCTION LLC</u> |
| Address: | <u>1805 SHEA CENTER DR #290</u> |
| City: | <u>HIGHLANDS</u> State: <u>CO</u> Zip: <u>80129</u> |

- 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 |
|-----------------|----------------|-------------------------------------|---------|
| Mayland, Harold | (303) 407-9604 | haroldmayland@nighthawkenenergy.com | |
| Quint, Craig | | craig.quint@state.co.us | |
| Rezendes, Joe | | JoeRezendes@nighthawkenergy.com | |
| Henkin, Joyce | (303) 407-9609 | joycehenkin@nighthawkenergy.com | |

Compliance Summary:

| QtrQtr: <u>SENV</u> | | Sec: <u>4</u> | | Twp: <u>14S</u> | | Range: <u>55W</u> | |
|---------------------|-----------|---------------|-------------|-------------------------------|----------|-------------------|-----------------|
| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Action Required | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
| 12/09/2015 | 673503000 | IJ | IJ | ACTION REQUIRED | F | | No |
| 06/03/2015 | 673710570 | IJ | AC | SATISFACTORY | | | No |
| 12/19/2014 | 673708812 | IJ | IJ | SATISFACTORY | | | No |
| 11/20/2014 | 673708097 | IJ | AC | ACTION REQUIRED | I | | No |
| 06/06/2014 | 673703801 | IJ | AC | SATISFACTORY | | | No |
| 03/07/2013 | 668600478 | IJ | SI | SATISFACTORY | | | No |
| 07/17/2012 | 663901363 | IJ | AC | ACTION REQUIRED | F | | No |
| 01/26/2012 | 664000311 | IJ | SI | ACTION REQUIRED | F | | No |
| 06/28/2011 | 200314365 | ES | AC | ACTION REQUIRED | | | Yes |
| 06/28/2011 | 200314349 | RT | AC | ACTION REQUIRED | | | Yes |
| 05/10/2011 | 200310630 | ES | AO | ACTION REQUIRED | | | Yes |
| 03/31/2011 | 200306371 | ES | AC | ACTION REQUIRED | | | Yes |
| 01/05/2011 | 200291121 | RT | AC | ACTION REQUIRED | | | Yes |
| 10/04/2010 | 200275511 | MI | SI | SATISFACTORY | | | No |
| 08/16/2010 | 200268319 | PM | WO | ACTION REQUIRED | | | Yes |
| 07/07/2010 | 200264704 | SR | WO | ACTION REQUIRED | | | Yes |

Inspector Name: Sherman, Susan

| | | | | | | |
|------------|-----------|----|----|-----------------|--|-----|
| 04/14/2010 | 200244020 | PR | WO | ACTION REQUIRED | | No |
| 02/22/2010 | 200232127 | ID | WO | ACTION REQUIRED | | Yes |
| 12/11/2009 | 200224051 | DG | DG | SATISFACTORY | | No |

Inspector Comment:

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|--------------|--------|-------------|------------|-----------|---------------|-------------|
| 159331 | UIC DISPOSAL | AC | 03/11/2010 | | - | CRAIG 6-4 SWD | AC |
| 414278 | WELL | IJ | 12/11/2013 | DSPW | 073-06391 | CRAIG 6-4 SWD | AC |

Equipment:

Location Inventory

| | | | |
|-------------------------------|-------------------------|----------------------|---------------------------|
| Special Purpose Pits: _____ | Drilling Pits: <u>1</u> | Wells: <u>1</u> | Production Pits: _____ |
| Condensate Tanks: _____ | Water Tanks: <u>3</u> | Separators: <u>1</u> | Electric Motors: <u>1</u> |
| Gas or Diesel Motors: _____ | Cavity Pumps: _____ | LACT Unit: _____ | Pump Jacks: _____ |
| Electric Generators: <u>1</u> | Gas Pipeline: _____ | Oil Pipeline: _____ | Water Pipeline: <u>1</u> |
| Gas Compressors: _____ | VOC Combustor: _____ | Oil Tanks: _____ | Dehydrator Units: _____ |
| Multi-Well Pits: _____ | Pigging Station: _____ | Flare: _____ | Fuel Tanks: _____ |

Location

Lease Road:

| Type | Satisfactory/Action Required | comment | Corrective Action | Date |
|------|------------------------------|---------|-------------------|------|
| | | | | |

Signs/Marker:

| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
|----------------------|------------------------------|--|-------------------|---------|
| WELLHEAD | SATISFACTORY | sign blown off by wind, will be put back on building | | |
| BATTERY | SATISFACTORY | | | |
| TANK LABELS/PLACARDS | SATISFACTORY | | | |

Emergency Contact Number (S/AR): SATISFACTORY

Corrective Date: _____

Comment: 303-638-6096

Corrective Action: _____

Good Housekeeping:

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

Spills:

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

Multiple Spills and Releases?

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

| | | | | |
|---------------------------|---|-------------------------------|--------------|-------|
| Equipment: | | | | |
| Type: Ancillary equipment | # 3 | Satisfactory/Action Required: | SATISFACTORY | |
| Comment | sheds for well and pump, centrifugal pump | | | |
| Corrective Action | | | | Date: |
| Type: Deadman # & Marked | # 4 | Satisfactory/Action Required: | SATISFACTORY | |
| Comment | | | | |
| Corrective Action | | | | Date: |

| | | | | |
|--|--------------|----------|-----------|------------------|
| Facilities: <input type="checkbox"/> New Tank Tank ID: _____ | | | | |
| Contents | # | Capacity | Type | SE GPS |
| OTHER | 1 | <50 BBLs | STEEL AST | , |
| S/AR | SATISFACTORY | | Comment: | slop tank |
| Corrective Action: | | | | Corrective Date: |

| | | | | |
|------------------|----------|--|--|--|
| <u>Paint</u> | | | | |
| Condition | Adequate | | | |
| Other (Content) | | | | |
| Other (Capacity) | 50 BBLs | | | |
| Other (Type) | | | | |

| | | | | |
|-------------------|-----------------------------|---------------------|---------------------|-----------------|
| <u>Berms</u> | | | | |
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| | | | | |
| Corrective Action | | | | Corrective Date |
| Comment | same berms as 400 BBL tanks | | | |

| | | | | |
|--|--------------|----------|------------------|------------------|
| Facilities: <input type="checkbox"/> New Tank Tank ID: _____ | | | | |
| Contents | # | Capacity | Type | SE GPS |
| PRODUCED WATER | 1 | 400 BBLs | HEATED STEEL AST | , |
| S/AR | SATISFACTORY | | Comment: | |
| Corrective Action: | | | | Corrective Date: |

| | | | | |
|------------------|----------|--|--|--|
| <u>Paint</u> | | | | |
| Condition | Adequate | | | |
| Other (Content) | | | | |
| Other (Capacity) | | | | |
| Other (Type) | | | | |

| | | | | |
|-------------------|----------|---------------------|---------------------|-----------------|
| <u>Berms</u> | | | | |
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| | | | | |
| Corrective Action | | | | Corrective Date |

Comment same berms as unheated ASTs

Facilities: New Tank Tank ID: _____

| Contents | # | Capacity | Type | SE GPS |
|----------------|---|----------|-----------|-----------------------|
| PRODUCED WATER | 2 | 400 BBLS | STEEL AST | 38.858641,-103.563475 |

S/AR **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 _____

Flaring:

Type _____ Satisfactory/Action Required _____

Comment: _____

Corrective Action: _____ Correct Action Date: _____

Predrill

Location ID: 414278

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

S/AR: _____

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

Form 2A COAs:

S/AR: SATISFACTORY **Comment:** No problems seen.

CA: **Date:** _____

Wildlife BMPs:

| BMP Type | Comment |
|---------------|---|
| PROPOSED BMPs | <p>STORMWATER MANAGEMENT PRACTICES</p> <p>Reference COGCC Final Rule Amendment (December 17, 2008)</p> <p>1002. SITE PREPARATION; f. Stormwater Management A. thru F.</p> <p>RUNNING FOXES PETROLEUM, INC. (RFP) will implement the following procedures and practices to remove /reduce the possibility of</p> |

discharged materials that may pollute water runoff from their field facilities, operations and well site locations. These procedures and practices, will minimize the potential of any discharge or spill that could potentially pollute surface water and any stormwater runoff.

A. Covering materials and activities:

RFP will cover with tarps all containers /items that have the potential for material leakage. These items, whenever possible, will be kept in a central location within the operational area.

B. Material handling and spill prevention:

RFP will use secondary containment methods; tarps, splash pans, or appropriate prevention items when transferring, pouring, or handling items that have the potential for spills. If items are on location for a period of time they will be on pallets off the ground.

C. Erosion controls:

RFP maintains and constructs well pads to minimize surface grade elevations. As season and weather changes; improvements to these well pads are adjusted accordingly. Roads, culverts, stream crossings and cut /fill slopes are prepared for runoff to be controlled and directed to desired locations.

These controls will be constructed with the cooperation of the landowner to facilitate their use of the land. Interim Reclamation on well pads is accomplished as soon as possible to minimize the effects of erosion. Topsoil will be returned and reseeding will be completed.

D. Self- inspection, maintenance, and good housekeeping:

RFP has a pumper on location almost everyday to identify these factors. Site improvement and inspection is a constant factor and monitored with the anticipation of the season and the weather. As potential contaminants are no longer needed at a set location they are removed and disposed of or stored in a more central secured monitored area. All vehicle washing is done off site.

E. Spill response procedures:

RFP has a first response the standard dirt and shovel work; if the procedures described in B above don't initially contain the spill.

This soil is removed from any surface water condition.

F. Vehicle tracking control procedures:

RFP attempts to design and maintain all roads to minimize any rutting. All operational and access roads are on non -paved roads with low potential of sediment contributing to stormwater contamination.

S/AR: _____ Comment: _____

CA: _____ Date: _____

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: 414278 Type: WELL API Number: 073-06391 Status: IJ Insp. Status: AC

Underground Injection Control

UIC Violation: _____

Maximum Injection Pressure: _____

UIC Routine

Inj./Tube: Pressure or inches of Hg -15 in Hg
(e.g. 30 psig or -30" Hg)

Previous Test Pressure _____ MPP _____
Inj Zone: ABCK

TC: Pressure or inches of Hg 0

Previous Test Pressure _____ Last MIT: 03/07/2013

Brhd: Pressure or inches of Hg 0

Previous Test Pressure _____ AnnMTRReq: _____

Comment: _____

Method of Injection: GRAVITY FEED

Test Type: _____ Tbg psi: _____ Csg psi: _____ BH psi: _____

Insp. Status: _____

Comment: _____

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:

DWR Receipt Num: _____ Owner Name: _____ GPS : _____ Lat _____ Long _____

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: See inspection 673503000 for action required on revegetation between the two wells. See attached photo of revegetation.

1003a. Waste and Debris removed? Pass

CM _____

CA _____ CA Date _____

Unused or unneeded equipment onsite? Pass

CM _____

CA _____ CA Date _____

Pit, cellars, rat holes and other bores closed? Pass

CM _____

CA _____ CA Date _____

Guy line anchors marked? Pass

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 _____ 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 | | | |

Inspector Name: Sherman, Susan

| | | | | | | |
|--|------|------------------------|------|--|--|--|
| Compaction | Pass | Compaction | Pass | | | |
| S/A/V: SATISFACTOR | | Corrective Date: _____ | | | | |
| Y _____ | | | | | | |
| Comment: _____ | | | | | | |
| CA: _____ | | | | | | |
| Pits: <input type="checkbox"/> 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 |
|--------------|------------------------------------|---|
| 673713417 | INSPECTION APPROVED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3892418 |
| 673713429 | Nighthawk Craig 6-4 SWD Annual UIC | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3892411 |