

Railroad Commission of Texas

Inspection Report Field Initiated Inspection

Oil and Gas Division Field Operations

Inspection ID 61294

| Operator | FAIRWAY RESOURCES OPERATING, LLC (259788) | Drilling Permit | |
|------------------------|---|-----------------|--|
| Lease/Facility | COOK, J. T. "A" [09-095018] | Pit Permit | |
| Field | PERRIN, SW (CONGL 4850) [70655500] | UIC Number | |
| County | PALO PINTO | | |
| Complainant | | <u></u> | |
| GPS Coordinates | Geodetic Datum: WGS 84, 32.0007 N, -98.1521 W | | |

Statewide Rules Inspected

Lease Level Inspection

| SWR Rule | Compliance | Compliance Description |
|---|------------|------------------------|
| SWR 2(a), Access to Property | Compliant | |
| SWR 3(1), Entrance Sign | Compliant | |
| SWR 3(3), Battery Sign; Commingling Permit | Compliant | 4 |
| SWR 8(d)(1), Unpermitted Disposal of Oil and Gas Wastes | Compliant | |
| SWR 8(d)(2), Unpermitted Use of Pit | N/A | |
| SWR 21(j), Dike or Fire Wall Requirements | Compliant | |
| SWR 22(b), Bird Protection | N/A | |
| SWR 32(h), Permit Required for Flaring | N/A | |
| SWR 36(c)(5)(B), Storage Tank Warning Sign | N/A | |
| SWR 9.1(d)(1), Remediation of Soil | N/A | |
| | | |

Well Level Inspection

2

API 36332462

| SWR Rule | Compliance | Compliance Description |
|--|-------------------|---|
| SWR 3(2), Well Sign | Compliant | |
| SWR 8(d)(1), Unpermitted Disposal of Oil and Gas Wastes | Compliant | |
| SWR 8(d)(2), Unpermitted Use of Pit | N/A | |
| SWR 8(d)(4)(H)(i), Pit Backfill Requirements | N/A | |
| SWR 9(1), Permit Required for Disposal Well | N/A | |
| SWR 13(a)(6)(A), Surface Control of Well | Compliant | |
| SWR 14(b)(2), Inactive Unplugged Well | Non- compliant | WELL NOT ACTIVE. NOT CONNECTED TO FLOW LINES. |
| SWR 17(a), Bradenhead Requirements | Compliant | SURFACE - 0 PSI. VALVES OPEN UPON ARRIVAL. |
| SWR 46(a), Permit Required for Injection Well | N/A | |
| SWR 73(i), Producing, Injecting, Disposing Under Severance | N/A | |
| SWR 91(d)(1), Remediation of Soil | N/A | |
| | | |

Comments

FENCE HAS BEEN CONSTRUCTED AROUND WELL.

Inspector Information and Certification

l certify that the data included in this inspection is true and complete.

Mileage Time Lunch

SHANNA SMITH Start: 109983 11:30 0 (Min)

Date: 01/25/2016 End: 109989 12:00

Office Review

Reviewed By Gene Ortiz (258) Reviewed Date 01/26/2016

FAIRWAY RESOURCES OPERATING COOK, J.T. "A" WELL #2 (095018) PALO PINTO COUNTY



PHOTO #5992 – VIEW OF SIGN AT WELL #2.



PHOTO #5993 – VIEW OF BRADENHEAD GAUGE.