

**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

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Inspection Date:

09/19/2014

Document Number:

673900514

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	431887	431888	Rains, Bill	<input type="checkbox"/>	

Operator Information:OGCC Operator Number: 10503Name of Operator: RED HAWK PETROLEUM LLCAddress: 4125 BLACKHAWK PLAZA CIRCLE SUITE 201ACity: DANVILLE State: CA Zip: 94506☐ 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
		tdrew@pedevco.com	All Inspections

Compliance Summary:QtrQtr: SWNW Sec: 8 Twp: 7N Range: 61W**Inspector Comment:****Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
431887	WELL	PR	08/01/2013		123-36841	Wallach 1-8H	SI	<input checked="" type="checkbox"/>

Equipment:Location Inventory

Special Purpose Pits: <u> </u>	Drilling Pits: <u>1</u>	Wells: <u>1</u>	Production Pits: <u> </u>
Condensate Tanks: <u> </u>	Water Tanks: <u>1</u>	Separators: <u>1</u>	Electric Motors: <u>1</u>
Gas or Diesel Motors: <u>1</u>	Cavity Pumps: <u> </u>	LACT Unit: <u> </u>	Pump Jacks: <u>1</u>
Electric Generators: <u>2</u>	Gas Pipeline: <u> </u>	Oil Pipeline: <u> </u>	Water Pipeline: <u> </u>
Gas Compressors: <u> </u>	VOC Combustor: <u>1</u>	Oil Tanks: <u>3</u>	Dehydrator Units: <u> </u>
Multi-Well Pits: <u> </u>	Pigging Station: <u> </u>	Flare: <u> </u>	Fuel Tanks: <u>1</u>

Location**Signs/Marker:**

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
TANK LABELS/PLACARDS	ACTION REQUIRED	NO PLACARDS, CAPACITY AND CONTENT SIGNS ON TANKS	Install sign to comply with rule 210.	10/03/2014
CONTAINERS	SATISFACTORY			
BATTERY	SATISFACTORY			
WELLHEAD	SATISFACTORY			

Inspector Name: Rains, Bill

Emergency Contact Number (S/A/V): SATISFACTORY

Corrective Date:

Comment:

Corrective Action:

Good Housekeeping:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
UNUSED EQUIPMENT	ACTION REQUIRED	UNUSED EQUIPMENT ON LOCATION	REMOVE ALL UNSED EQUIPMENT	10/03/2014
WEEDS	ACTION REQUIRED	WEEDS ON AND AROUND LOCATION	CONTROL WEEDS	10/03/2014

Spills:

Type	Area	Volume	Corrective action	CA Date
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☐ Multiple Spills and Releases?**Equipment:**

Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Bird Protectors	1	SATISFACTORY			
Ancillary equipment	1	SATISFACTORY	SOLAR PANEL		
Flare	1	SATISFACTORY			
Prime Mover	1	SATISFACTORY	GAS ENGINE		
Pump Jack	1	SATISFACTORY			
Veritcal Heater Treater	1	SATISFACTORY			
Vertical Separator	1	SATISFACTORY			
Gas Meter Run	1	SATISFACTORY			

Facilities:☐ New Tank

Tank ID: _____

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	1	400 BBLS	FIBERGLASS AST	,

S/A/V: SATISFACTORY

Comment:

Corrective Action:

Corrective Date:

Paint

Condition	Adequate
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Other (Content)

Other (Capacity)

Other (Type)

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance

Corrective Action	Corrective Date
Comment	

Inspector Name: Rains, Bill

Facilities:		<input type="checkbox"/> New Tank		Tank ID: _____	
Contents	#	Capacity	Type	SE GPS	
CRUDE OIL	3	400 BBLS	STEEL AST	40.592030,-104.240360	
S/A/V:	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			
NO					
Flaring:					
Type	Satisfactory/Action Required		Comment	Corrective Action	CA Date

Inspector Name: Rains, Bill

Predrill

Location ID: 431887

Site Preparation:

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

S/A/V: _____

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

Form 2A COAs:

S/A/V: _____ **Comment:** _____

CA: _____ **Date:** _____

Wildlife BMPs:

S/A/V: _____ **Comment:** _____

CA: _____ **Date:** _____

Stormwater:

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: 431887 Type: WELL API Number: 123-36841 Status: PR Insp. Status: SI

Idle Well

Purpose: ☒ Shut In ☐ Temporarily Abandoned Reminder: FLOWLINE AVAILABLE-CONNECTED

S/A/V: SATISFACTORY CA Date: _____

CA: _____

Comment: _____

Environmental

Spills/Releases:

Type of Spill: _____ Description: _____ Estimated Spill Volume: _____

Inspector Name: Rains, Bill

Comment: <input style="width:700px" type="text"/>			
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:			
<input style="width:300px" type="text"/>			
Sample Location: <input style="width:400px" type="text"/>			
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: DRY LAND

Comment: INTERIM RECLAMATION HAS NOT BEEN STARTED

1003a. Debris removed? Pass CM _____

CA _____ CA Date _____

Waste Material Onsite? 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 removed? Pass CM _____

CA _____ CA Date _____

Guy line anchors marked? _____ CM _____

CA _____ CA Date _____

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

1003c. Compacted areas have been cross ripped? _____

1003d. Drilling pit closed? Pass 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? Pass Segregated soils have been replaced? Pass

RESTORATION AND REVEGETATION

Cropland

Top soil replaced _____ Recontoured _____ Perennial forage re-established _____

Non-Cropland

Top soil replaced _____ Fail _____ Recontoured _____ Fail _____ 80% Revegetation _____

1003 f. Weeds Noxious weeds? _____

Comment:

Overall Interim Reclamation

Date Final Reclamation Started: _____	Date Final Reclamation Completed: _____
Final Land Use: DRY LAND _____	
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 <input type="checkbox"/> Multi-Well Location <input type="checkbox"/>

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Gravel	Fail	Gravel	Pass	MHSP	Fail	NO CONTAINMENT FOR OIL DRUM

Comment:	RUTTING AND POOLING ON LOCATION
CA:	INSTALL BMPs

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

Document Num	Description	URL
673900515	POOLING AND WEEDS	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3442696
673900516	WEEDS, UNUSED EQUIPMENT AND NO CONTAINMENT	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3442697
673900517	UNUSED EQUIPMENT	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3442698
673900518	WEEDS, RUTTING AND POOLING	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3442699

ACTION REQUIRED

ANY ACTION REQUIRED items listed on this report indicate that the oil and gas facility or the oil and gas operations listed on the report may be in violation of the rules and regulations of the Colorado Oil and Conservation Commission (“COGCC”) and corrective action is required.

There is reasonable cause to believe that a violation of the Oil and Gas Conservation Act, or of any rule, regulation, or order of the Commission, or of any permit issued by the Commission, has occurred. The Operator’s compliance with this Inspection Report is required to resolve these alleged violations. This document requires the Operator to timely respond to the COGCC and to comply with directives as listed by the **Corrective Action Deadline Date**. Failure to do so will result in the issuance of a Notice of Alleged Violation and initiation of enforcement proceedings in which COGCC will seek monetary penalties for the alleged violations pursuant to § 34-60-121, C.R.S. and Rule 523, COGCC Rules of Practice and Procedure, 2 CCR 404-1. (Please note that the COGCC's penalty authority was recently increased to a maximum of \$15,000 per day and penalties are no longer capped at a maximum of \$10,000 per violation.)