

Inspector Name: Maclaren, Joe

**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

DE	ET	OE	ES
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Inspection Date:

04/06/2015

Document Number:

674601722

Overall Inspection:

**ACTION REQUIRED****FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	412964	412925	Maclaren, Joe	<input type="checkbox"/>	

**Operator Information:**OGCC Operator Number: 10254Name of Operator: RED MESA HOLDINGS/O&G LLCAddress: 5619 DTC PARKWAY - STE 800City: GREENWOOD State: CO Zip: 80111

- ☐ 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
Labowskie, Steve		steve.labowskie@state.co.us	
T., Alfred	(856) 767-3000 ext. 11	atgiuliano@giulianomiller.com	Red Mesa Trustee

**Compliance Summary:**QtrQtr: NWSE Sec: 14 Twp: 33N Range: 12W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
03/16/2015	674900378	TA	EI	<b>ACTION REQUIRED</b>			No
08/26/2009	200217385	ES	DG	SATISFACTORY			No
08/17/2009	200216905	DG	DG	SATISFACTORY			No

**Inspector Comment:**

No production records found in database; MIT performed doc #1771731 on 2/27/12. Well is shut in at wellhead. The Actions Required outlined on the previous inspection doc# 674900378 performed on 03/16/2015 have not been completed. Photos uploaded can be accessed via link at end of report.

**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
412964	WELL	TA	10/24/2012	DA	067-09783	MACY 2	TA	<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>        </u>
Gas or Diesel Motors: <u>2</u>	Cavity Pumps: <u>        </u>	LACT Unit: <u>        </u>	Pump Jacks: <u>1</u>
Electric Generators: <u>        </u>	Gas Pipeline: <u>1</u>	Oil Pipeline: <u>1</u>	Water Pipeline: <u>1</u>
Gas Compressors: <u>1</u>	VOC Combustor: <u>        </u>	Oil Tanks: <u>1</u>	Dehydrator Units: <u>1</u>
Multi-Well Pits: <u>        </u>	Pigging Station: <u>        </u>	Flare: <u>        </u>	Fuel Tanks: <u>        </u>

**Location**Emergency Contact Number (S/A/V): ACTIONCorrective Date: 04/13/2015

Inspector Name: Maclaren, Joe

Comment: No operator response when emergency contact number dialed; Voicemail only; No return phone call.

Corrective Action: Maintain working 24 hr operator emergency contact number; Must be able to reach operator at all times; or change well sign and update/ add new emergency contact information.

**Good Housekeeping:**

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
DEBRIS	ACTION REQUIRED	Threaded pipe end caps near well head.	Remove Debris	04/17/2015
UNUSED EQUIPMENT	ACTION REQUIRED	Poly pipe, steel pipe, concrete foundation, and propane tank in NW corner of location.	Remove equipment and supplies from location.	04/17/2015

**Spills:**

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

**Venting:**

Yes/No	Comment

**Flaring:**

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

**Predrill**

Location ID: 412964

**Site Preparation:**

Lease Road Adeq.: \_\_\_\_\_ Pads: \_\_\_\_\_ Soil Stockpile: \_\_\_\_\_

**S/A/V:** \_\_\_\_\_

Corrective Action: \_\_\_\_\_ Date: \_\_\_\_\_ CDP Num.: \_\_\_\_\_

**Form 2A COAs:**

Group	User	Comment	Date
Agency	fischera	pertend	07/15/2009

**S/A/V:** \_\_\_\_\_ **Comment:** \_\_\_\_\_

**CA:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Wildlife BMPs:**

BMP Type	Comment
PROPOSED BMPs	Red Mesa Holdings O & G LLC, Macy #2 Well, Proposed BMPs  1. A Master Stormwater Management Plan for the Red Mesa field dated 3/ been electronically submitted to the COGCC.  2. A Spill Prevention, Control and Countermeasure Plan, Red Mesa Gas Fi Production Facility, dated 12/08, has been electronically submitted to the

COGCC.

3. Per COGCC Rule 1002.f.(2)A "covering materials and activities and stormwater diversion ", Red Mesa has devised Waste Management and Materials Pollution Control measures (see pages 85 -90 of Appendix P of Volume II of Master Stormwater Management Plan for the Red Mesa Field dated 3/09). Key points of the plan include storage areas, hazardous materials, MSDS, liquid materials and petroleum products, soil stockpiles, and spill cleanup.

4. Per COGCC Rule 1002.f.(2)B "materials handling and spill prevention procedures and practices ", Red Mesa devised Waste Management and Materials Pollution Control measures (see pages 90 -104 of Appendix P of Volume II, Master Stormwater Management Plan for the Red Mesa Field and Sections D "Tank Truck Loading ", G "Discharge Notification Procedures ", H "Equipment Shut -off Procedures ", J "Oil Spill Contingency Plan", and K "Facility Maps and Equipment Diagrams" of the Spill Prevention, Control, and Countermeasure Plan, Red Mesa Gas Field Production Facility). Per these above listed sections of the plans, Red Mesa has addressed how it will handle materials, prevent spills, and respond to incidents. Field personnel have been trained pursuant to the plans.

5. Per COGCC Rule 1002.f.(2)D "self- inspection, maintenance, and good housekeeping procedures and schedules ", Red Mesa devised "Good Housekeeping BMPs" in Section 3, "Good Housekeeping BMPs ", and Section 5, "Inspections" of Volume I of the Master Stormwater Management Plan.

6. Per COGCC Rule 1002.f.(2)E "spill response procedures ", Red Mesa electronically submitted a Spill Prevention, Control and Countermeasure Plan, Red Mesa Gas Field, dated 12/08, to the COGCC. This plan provides specifics on facility information, spill response and reporting, and spill prevention, control, and countermeasures.

7. Per COGCC Rule 1002.f.(3), Red Mesa devised "Selecting Post - Construction BMPs in Section 4 of Volume I of the Master Stormwater Management Plan. In addition, Red Mesa abides by the stormwater regulations of the CDPHE /CWQCD. This includes post- construction BMPs, stabilization thresholds, and required inspection times. A copy of the CDPHE /CWQCD standards is included in Volume II of Red Mesa's Master Stormwater Management Plan as Appendix "O ".

8. This well is located on flat lands with a slope of less than 10 %. Stormwater will be routed around the pad using a combination of BMPs (berms, ditches, waddles, silt fences, etc).

9. BMPs for pad construction will be installed in appropriate intervals of distance (approx. every 5- 10') to ensure that stormwater is intercepted before it gets to the well pad Sediment control BMPs will be installed where stormwater discharge occurs via a series of waddles or checkdams approximately every 5'(s 2.2 of Volume I of Master Stormwater Plan).

10. Inspections will be conducted weekly and after /during any rain or runoff event (see Section 2.3 of Volume I of Master Stormwater Plan).

11. Materials handling will be per Sections D "Tank Truck Loading ", G "Discharge Notification Procedures ", H "Equipment Shut -off Procedures ", J "Oil Spill Contingency Plan", and K "Facility Maps and Equipment Diagrams" of Red Mesa's Spill Prevention, Control and Countermeasure Plan, Red Mesa Gas Field Production Facility, dated 12/08.

12. Spill Control and reporting will be pursuant to Section 2.0 "Spill Response and Reporting" of Red Mesa's Spill Prevention, Control and Countermeasure Plan, Red Mesa Gas Field Production Facility, dated 12/08.

13. See attached "General Site Layout" showing approximate location of BMPs during construction for the proposed well. Please note that this map is subject to change upon commencement of construction.

**S/AV:** \_\_\_\_\_ **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: \_\_\_\_\_

Inspector Name: Maclaren, Joe

Summary of Landowner Issues:

Summary of Operator Response to Landowner Issues:

Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:

**Facility**

Facility ID: 412964 Type: WELL API Number: 067-09783 Status: TA Insp. Status: TA

**Idle Well**

Purpose: ☐ Shut In ☒ Temporarily Abandoned Reminder: \_\_\_\_\_

S/A/V: \_\_\_\_\_ CA Date: \_\_\_\_\_

CA: No production records found in database; MIT performed doc #1771731 on 2/27/12.

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: \_\_\_\_\_

1003a. Debris removed? Fail CM \_\_\_\_\_

CA Remove debris CA Date 04/17/2015

Waste Material Onsite? \_\_\_\_\_ CM \_\_\_\_\_

CA \_\_\_\_\_ CA Date \_\_\_\_\_

Unused or unneeded equipment onsite? Fail CM \_\_\_\_\_

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CA Remove unused equipment/ supplies.

CA Date 04/17/2015

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

CA \_\_\_\_\_ CA Date \_\_\_\_\_

Guy line anchors removed? \_\_\_\_\_ CM \_\_\_\_\_

CA \_\_\_\_\_ CA Date \_\_\_\_\_

Guy line anchors marked? Pass CM \_\_\_\_\_

CA \_\_\_\_\_ CA Date \_\_\_\_\_

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

1003c. Compacted areas have been cross ripped? \_\_\_\_\_

1003d. Drilling pit closed? Pass Subsidence over on drill pit? Pass

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? \_\_\_\_\_

#### 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? \_\_\_\_\_ I \_\_\_\_\_

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

Overall Interim Reclamation In Process

#### **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 ☐

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<b>Storm Water:</b>						
Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Gravel	Pass	Gravel	Pass			
Compaction	Pass	Compaction	Pass			

S/A/V: **ACTION REQUIRED** Corrective Date: **04/17/2015**

Comment: **Stormwater erosion present near well sign on SE corner well pad; Wattles full of sediment.**

CA: **Repair erosional damage; maintain or remove BMP's.**

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
674601744	Macy #2 Photos	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3585517">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3585517</a>

## **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.)