

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

Inspection Date:  
06/22/2015Document Number:  
674602009

Overall Inspection:

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

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	214032	325111	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
T., Alfred	(856) 767-3000 ext. 11	atgiuliano@giulianomiller.com	Red Mesa Trustee
Edwards, Robert	609-841-4756	REdwards@giulianomiller.com	Giuliano Miller & Company, LLC

**Compliance Summary:**QtrQtr: SESE Sec: 22 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)
04/15/2015	674601773	PR	SI	ACTION REQUIRED			No
04/01/2015	674601737	PR	SI	ACTION REQUIRED	I		No
03/31/2015	668402714	PR	PR	ACTION REQUIRED			No
01/29/2015	667700541	PR	SI	ACTION REQUIRED	I		No
10/15/2013	663401279	SI	SI	SATISFACTORY	I		No
01/24/2008	200126832	PR	PR	SATISFACTORY			No
10/27/1997	500146604	ES	PR			Pass	No
08/12/1997	500146600	PR	PR			Pass	No
06/12/1996	500146599	PR	PR			Pass	No
08/15/1995	500146598	PR	PR				No

**Inspector Comment:**

The gas leak at the wellhead has not worsened since the repairs were made on 4/15/15. The Action Required outlined on field inspection doc # 674601737 performed on 04/01/2015 have not been completed. There is no evidence of recent activity on this well pad. The weeds on the access road are becoming excessive/ need of control.

**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
214032	WELL	PR	02/28/2014	GW	067-05321	SANCHEZ 4	SI	<input checked="" type="checkbox"/>

**Equipment:****Location Inventory**

Inspector Name: Maclaren, Joe

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

**Location**

Emergency Contact Number (S/A/V): \_\_\_\_\_

Corrective Date: \_\_\_\_\_

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

Corrective Action: \_\_\_\_\_

**Spills:**

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

**Venting:**

Yes/No	Comment
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**Flaring:**

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
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**Predrill**

Location ID: 214032

**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: 214032 Type: WELL API Number: 067-05321 Status: PR Insp. Status: SI

**Idle Well**Purpose: ☒ Shut In ☐ Temporarily Abandoned Reminder: \_\_\_\_\_

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

CA: Last production reported February 2014 (Gas Only).

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

**Environmental****Spills/Releases:**

Type of Spill: \_\_\_\_\_ Description: \_\_\_\_\_ Estimated Spill Volume: \_\_\_\_\_

Inspector Name: Maclaren, Joe

Comment: <input style="width: 700px;" type="text"/>			
Corrective Action: _____		Date: _____	
Reportable: _____	GPS: Lat _____	Long _____	
Proximity to Surface Water: _____		Depth to Ground Water: _____	
<b><u>Water Well:</u></b>			
DWR Receipt Num: _____		Owner Name: _____	GPS : _____
<b><u>Field Parameters:</u></b>			
<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: _____	
Comment: <input style="width: 750px;" type="text"/>	
1003a.	Debris removed? _____ CM _____
	CA _____ CA Date _____
	Waste Material Onsite? _____ CM _____
	CA _____ CA Date _____
	Unused or unneeded equipment onsite? _____ CM _____
	CA _____ CA Date _____
	Pit, cellars, rat holes and other bores closed? _____ CM _____
	CA _____ CA Date _____
	Guy line anchors removed? _____ CM _____
	CA _____ CA Date _____
	Guy line anchors marked? _____ 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? _____
<b>RESTORATION AND REVEGETATION</b>	
<b><u>Cropland</u></b>	
Top soil replaced _____	Recontoured _____ Perennial forage re-established _____

Inspector Name: Maclaren, Joe

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: \_\_\_\_\_

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

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

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

CA: \_\_\_\_\_

**Pits:** ☐ NO SURFACE INDICATION OF PIT

**COGCC Comments**

Comment	User	Date
As indicated on field inspection doc #674601773 performed on 04/15/2015: Repairs made on site included tightening the wellhead flange bolts. The repairs were completed and gas leak reduced (minimized/ not stopped) as confirmed via follow up FLIR examination. The Actions Required outlined on the previous inspection Doc#674601737 performed on 4/1/15 have not been completed (Overall inspection status remains AR).	maclarej	06/23/2015
This well is currently shut in (at wellhead). This well is leaking gas (wellhead). The Actions Required identified on the previous field inspection doc# 667700541 performed on 01/29/2015 have not been completed.	maclarej	06/23/2015

## **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.)