

**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:
08/25/2015Document Number:
674900757

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	214362	325230	Hughes, Jim	<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
Giuliano, Alfred	(856) 767-3000 ext. 11	atgiuliano@giulianomiller.com	Red Mesa trustee
Labowskie, Steve		steve.labowskie@state.co.us	
Edwards, Robert	(609) 841-4756	REdwards@giulianomiller.com	Giuliano Miller and Co, LLC
Fischer, Alex		alex.fischer@state.co.us	

Compliance Summary:QtrQtr: SWSW Sec: 23 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)
08/12/2015	674602196	PR	SI	ACTION REQUIRED			No
04/15/2015	674601776	PR	SI	ACTION REQUIRED			No
03/30/2015	674601673	PR	SI	ACTION REQUIRED	I		No
03/30/2015	668402716	PR	PR	ACTION REQUIRED			No
03/13/2015	674900363	PR	EI	ACTION REQUIRED			No
09/16/2013	663401194	PR	PR	ACTION REQUIRED	I		No
08/17/2009	200216910	PR	PR	SATISFACTORY			No
01/04/2008	200124391	PR	PR	ACTION REQUIRED			Yes
12/04/2007	200123255	PR	PR	SATISFACTORY			Yes
09/05/2007	200121332	PR	PR	ACTION REQUIRED			Yes
09/05/2007	200121392	PR	PR	ACTION REQUIRED			Yes
05/22/2007	200112657	PR	PR	ACTION REQUIRED		Fail	Yes
11/22/2002	200032801	ES	PR	SATISFACTORY		Pass	No
11/20/2002	200032347	ES	PR	SATISFACTORY		Pass	No
09/24/2002	200030777	CO	PR	ACTION REQUIRED			Yes
07/26/2002	200030765	ES	PR	ACTION REQUIRED			
07/26/2002	200030496	CO	PR	ACTION REQUIRED		Fail	Yes

Inspector Name: Hughes, Jim

07/26/2002	200030823	ES	PR	SATISFACTORY		Pass	No
07/10/2002	200030815	PR	PR	SATISFACTORY		Pass	No
05/16/2002	200028067	CO	PR	SATISFACTORY		Fail	Yes
01/11/2002	200030812	CO	PR	ACTION REQUIRED		Fail	Yes
08/12/1997	500147262	PR	PR			Pass	No
06/12/1996	500147261	PR	PR			Pass	No
08/10/1995	500147260	PR	PR				Yes

Inspector Comment:

On August 25, 2015 COGCC staff members Alex Fischer, Joe Maclaren, and Jim Hughes conducted a joint field inspection of the Red Mesa Holdings JCK #1. For the most recent field inspection report of this facility, please refer to document #674602196. Overall inspection status shall remain the same as that document until all corrective actions have been performed.

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
214362	WELL	PR	08/31/2007	OW	067-05765	J C K 1	EI	<input checked="" type="checkbox"/>

Equipment:

Location Inventory

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

Flaring:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Inspector Name: Hughes, Jim

Predrill

Location ID: 214362

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: 214362 Type: WELL API Number: 067-05765 Status: PR Insp. Status: EI

Idle Well

Purpose: ☒ Shut In ☐ Temporarily Abandoned Reminder: _____

S/A/V: _____ CA Date: _____

CA: _____

Comment: _____

Environmental

Spills/Releases:

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

Inspector Name: Hughes, Jim

Comment: _____

Corrective Action: _____ Date: _____

Reportable: _____ GPS: Lat _____ Long _____

Proximity to Surface Water: _____ Depth to Ground Water: _____

Water Well:

Lat _____ Long _____

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

Field Parameters:

Sample Location: _____

Waste Management:

Type	Management	Condition	Comment	GPS (Lat)	(Long)
Oily Soil	Piles	Inadequate	Soil stock pile from excavation near tank battery was sampled on 8/25/15 by COGCC staff and contains contaminant concentration levels above Table 910-1 standards.	37.083530	- 108.127660

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: _____

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: _____

Inspector Name: Hughes, Jim

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: _____

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
<p>On August 25, 2015 COGCC staff members Alex Fischer, Joe Maclaren, and Jim Hughes conducted a joint field inspection of the Red Mesa Holdings JCK #1. For the most recent field inspection report of this facility, please refer to document #674602196. Overall inspection status shall remain the same as that document until all corrective actions have been performed.</p> <p>The approximately 10' by 12' open excavation contains free product and storm water. The excavation has been been caving and is now undermining the lined secondary containment for the tank battery at this location.</p> <p>Four point composite soil grab sample taken by COGCC staff from soil stock pile next to open excavation. Stock pile is composed of silty clay soil with some visible staining and areas with hydrocarbon odors. Sample was analyzed for TPH, PAH, and BTEX. Analytical report indicated contaminant concentration levels in exceedance of Table 910-1. The full analytical report has been uploaded to the scout card and is available on the COGCC website.</p>	hughesj	09/04/2015

Attached Documents

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

Document Num	Description	URL
674900758	Open excavation filled with fluids.	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3677314
674900759	Soil stock pile next to excavation.	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3677315

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.)