

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:
12/10/2015

Document Number:
666801460

Overall Inspection:

ACTION REQUIRED

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>258989</u>	<u>311595</u>	<u>Murray, Richard</u>	<input type="checkbox"/>	

Operator Information:

OGCC Operator Number:	<u>10550</u>
Name of Operator:	<u>MUSTANG RESOURCES LLC</u>
Address:	<u>1660 LINCOLN STREET SUITE 1450</u>
City:	<u>DENVER</u> State: <u>CO</u> Zip: <u>80264</u>

- 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
Austin, Chris	970-756-1696	caustin@mustangresourcesllc.com	
Couts, Brandon		bcoutts@mustangresourcesllc.com	Field Operations
Smith, Matt		msmith@mustangresourcesllc.com	
Kellerby, Shaun		Shaun.Kellerby@state.co.us	NW Field Supervisor

Compliance Summary:

QtrQtr:	<u>SESE</u>	Sec:	<u>26</u>	Twp:	<u>6S</u>	Range:	<u>94W</u>
Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
08/10/2015	666801275	PR	PR	ACTION REQUIRED			No
09/24/2013	670200895	PR	PR	ACTION REQUIRED	P		No
01/04/2003	200051028	PR	PR	SATISFACTORY		Pass	No
02/12/2001	200015075	PR	WO	SATISFACTORY		Pass	No

Inspector Comment:

Action items noted on inspection document number 666801275 dated 08/10/2010 have not been satisfied

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
258989	WELL	PR	01/16/2001	GW	045-07677	SAVAGE 9-26-6-94 W	PR <input checked="" type="checkbox"/>

Equipment:

Location Inventory

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Inspector Name: Murray, Richard

Special Purpose Pits: _____	Drilling Pits: _____	Wells: _____	Production Pits: _____
Condensate Tanks: _____	Water Tanks: _____	Separators: _____	Electric Motors: _____
Gas or Diesel Motors: _____	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

Signs/Marker:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
TANK LABELS/PLACARDS	ACTION REQUIRED	No Quantity posted on tank	Install sign to comply with rule 210.	09/20/2015
BATTERY	ACTION REQUIRED	Signs have VaqueroEnergy as operator not MustangResources	Install sign to comply with rule 210.	09/07/2015
WELLHEAD	ACTION REQUIRED	Signs have VaqueroEnergy as operator not MustangResources	Install sign to comply with rule 210.	01/07/2016

Emergency Contact Number (S/A/V): SATISFACTORY Corrective Date: _____

Comment: _____

Corrective Action: _____

Good Housekeeping:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
WEEDS	ACTION REQUIRED	Weeds around wellheads, separators and tank	Use BMPs to maintain weeds	09/07/2015

Spills:				
Type	Area	Volume	Corrective action	CA Date
<input type="checkbox"/> Multiple Spills and Releases?				

Equipment:					
Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Horizontal Heated Separator	1	SATISFACTORY			
Vertical Separator	1	SATISFACTORY			
Gas Meter Run	2	SATISFACTORY			

Facilities:					
<input type="checkbox"/> New Tank		Tank ID: _____			
Contents	#	Capacity	Type	SE GPS	
PRODUCED WATER	1	OTHER	STEEL AST	39.492240,-107.849500	
S/A/V:	SATISFACTORY		Comment: _____		
Corrective Action: _____				Corrective Date: _____	

Paint _____

Inspector Name: Murray, Richard

Condition					
Other (Content)					
Other (Capacity)	unknown				
Other (Type)					
Berms					
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Earth	Inadequate	Walls Insufficient	Base Sufficient	Inadequate	
Corrective Action	Use BMPs to repair			Corrective Date	09/07/2015
Comment	Berm has been breached and is full of sediment, Berm capacity appears inadequate.				

Venting:	
Yes/No	Comment
NO	

Flaring:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Predrill

Location ID: 258989

Site Preparation:

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

S/AV: _____

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

Form 2A COAs:

S/AV: _____ **Comment:** _____

CA: _____ **Date:** _____

Wildlife BMPs:

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: _____

Summary of Landowner Issues:

Summary of Operator Response to Landowner Issues:

Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:

Facility

Facility ID: 258989 Type: WELL API Number: 045-07677 Status: PR Insp. Status: PR

Producing Well

Comment: **Producing**

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: _____

Comment: _____

- 1003a. Debris removed? Pass CM _____
CA _____ CA Date _____
- Waste Material Onsite? Pass CM _____
CA _____ CA Date _____
- Unused or unneeded equipment onsite? In CM landowners equipment stored I
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? _____ 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? _____

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
Compaction	Pass					
		Compaction	Pass			

S/A/V: SATISFACTOR Corrective Date: _____
Y _____

Comment:

CA:

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
666801721	Mustang07677	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3739305

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.)