

**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:
12/10/2015Document Number:
666801715

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	210799	335234	Murray, Richard	<input type="checkbox"/>	

Operator Information:OGCC Operator Number: 10550Name of Operator: MUSTANG RESOURCES LLCAddress: 1660 LINCOLN STREET SUITE 1450City: DENVER State: CO Zip: 80264

- ☐ 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
Smith, Matt		msmith@mustangresourcesllc.com	
Austin, Chris	970-756-1696	caustin@mustangresourcesllc.com	
Couts, Brandon		bcoutts@mustangresourcesllc.com	Field Operations

Compliance Summary:QtrQtr: SWSW Sec: 24 Twp: 6S Range: 94W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
06/16/2010	200261099	PR	PR	SATISFACTORY			No
02/04/1999	500142242	PR	PR			Pass	No
03/14/1997	500142243	PR	SI			Pass	No
07/05/1994	500142241		SI				

Inspector Comment:

Action required items noted on previous inspection have not been satisfied

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
210799	WELL	PR	04/24/2014	GW	045-06557	MEAD 24-14MV-6S-94W	SI	<input checked="" type="checkbox"/>
210812	WELL	PR	10/19/1988	GW	045-06570	MEAD 24-14W-6S-94W	PR	<input checked="" type="checkbox"/>

Equipment:**Location Inventory**

Inspector Name: Murray, Richard

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

Signs/Marker:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
WELLHEAD	ACTION REQUIRED	Both wellhead signs read API#045-06557. Mead 24-14W is API#045-06570.	Install sign to comply with rule 210.	01/08/2016
BATTERY	ACTION REQUIRED	No labels, volumes or placards on tanks.	Install sign to comply with rule 210.	01/08/2016

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 in tank battery containment and around headed separator	Use BMPs to maintain weeds	01/08/2016

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
Gas Meter Run	2	SATISFACTORY			
Ancillary equipment	1	SATISFACTORY	Chemical unit at wellhead		
Plunger Lift	1	SATISFACTORY			
Horizontal Heated Separator	1	SATISFACTORY			

Facilities:

☐ New Tank

Tank ID: _____

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	1	OTHER	STEEL AST	39.506880,-107.841990

S/A/V: _____

Comment: _____

Corrective Action: _____

Corrective Date: _____

Inspector Name: Murray, Richard

<u>Paint</u>				
Condition				
Other (Content) _____				
Other (Capacity) Not posted _____				
Other (Type) _____				
<u>Berms</u>				
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Corrective Action				Corrective Date
Comment				
Facilities: <input type="checkbox"/> New Tank Tank ID: _____				
Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	1	OTHER	STEEL AST	,
S/A/V:	SATISFACTORY		Comment: In same berms as other tank	
Corrective Action:				Corrective Date:
<u>Paint</u>				
Condition	Adequate			
Other (Content) _____				
Other (Capacity) not posted _____				
Other (Type) _____				
<u>Berms</u>				
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Corrective Action				Corrective Date
Comment				
Venting:				
Yes/No		Comment		
NO				
Flaring:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Predrill

Location ID: 210799

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: 210799 Type: WELL API Number: 045-06557 Status: PR Insp. Status: SI

Idle WellPurpose: ☒ Shut In ☐ Temporarily Abandoned Reminder: _____

S/A/V: SATISFACTORY CA Date: _____

CA: _____

Comment: Last production numbers posted Aug 2015

Facility ID: 210812 Type: WELL API Number: 045-06570 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:

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

Field Parameters:

Sample Location: _____

Emission Control Burner (ECB): N _____

Comment: _____

Pilot: _____ Wildlife Protection Devices (fired vessels): YES _____

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? Pass CM _____
 CA _____ CA Date _____
 Pit, cellars, rat holes and other bores closed? Pass 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 ? _____

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? _____

Inspector Name: Murray, Richard

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 Y _____

Corrective Date: _____

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
666801727	mustang1	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3741185
666801728	mustang2	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3741186

666801729	mustang3	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3741187
666801730	mustang4	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3741188

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.)