

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



Inspection Date:
05/11/2016
Document Number:
666802129
Overall Inspection:
SATISFACTORY

FIELD INSPECTION FORM

| | | | | | |
|---------------------|---------------|---------------|------------------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | <u>210822</u> | <u>335258</u> | <u>Murray, Richard</u> | <input type="checkbox"/> | |

Operator Information:

OGCC Operator Number: 10550
Name of Operator: MUSTANG RESOURCES LLC
Address: 1660 LINCOLN STREET SUITE 1450
City: 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 |
|----------------|--------------|---------------------------------|------------------|
| Austin, Chris | 970-756-1696 | caustin@mustangresourcesllc.com | |
| Couts, Brandon | | bcoutts@mustangresourcesllc.com | Field Operations |

Compliance Summary:

QtrQtr: NESE Sec: 27 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) |
|------------|-----------|------------|-------------|-------------------------------|----------|----------------|-----------------|
| 03/07/2016 | 671000290 | PR | EI | SATISFACTORY | | | No |
| 06/25/2015 | 666801092 | PR | PR | SATISFACTORY | | | No |
| 04/17/2000 | 200006985 | PR | PR | SATISFACTORY | | Pass | No |
| 03/17/1997 | 500142265 | PR | SI | | | Pass | No |

Inspector Comment:

Inspection does not address action required items noted in previous inspection document 671000290, No facilities on location for this well

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|-----------------------------|--|
| 210822 | WELL | PR | 03/29/1990 | GW | 045-06580 | HAYNES-HARRIS 27-43 -6S-94W | PR <input checked="" type="checkbox"/> |
| 211114 | WELL | PR | 01/10/1995 | GW | 045-06873 | DOTSON RMV 17-27 | PR <input 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

| Lease Road: | | | | |
|--------------------|------------------------------|---------|-------------------|------|
| Type | Satisfactory/Action Required | comment | Corrective Action | Date |
| | | | | |

| Signs/Marker: | | | | |
|----------------------|------------------------------|---------|-------------------|---------|
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| | | | | |

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

Comment: _____

Corrective Action: _____

| Good Housekeeping: | | | | |
|---------------------------|------------------------------|---------|-------------------|---------|
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| | | | | |

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

| Fencing/: | | | | |
|------------------|------------------------------|---------|-------------------|---------|
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| | | | | |

| Equipment: | | | | | |
|---------------------|-----|-------------------------------|--------------|-------|--|
| Type: Gas Meter Run | # 1 | Satisfactory/Action Required: | SATISFACTORY | | |
| Comment | | | | | |
| Corrective Action | | | | Date: | |

| Venting: | |
|-----------------|----|
| Yes/No | NO |
| Comment | |

| Flaring: | | | | |
|--------------------|--|------------------------------|----------------------|--|
| Type | | Satisfactory/Action Required | | |
| Comment: | | | | |
| Corrective Action: | | | Correct Action Date: | |

Predrill

Location ID: 210822

Lease Road Adeq.: _____

Pads: _____

Soil Stockpile: _____

S/AR: _____

Corrective Action: _____

Date: _____

CDP Num.: _____

Form 2A COAs:

S/AR: _____ Comment: _____

CA: _____

Date: _____

Wildlife BMPs:

S/AR: _____ Comment: _____

CA: _____

Date: _____

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: 210822

Type: WELL

API Number: 045-06580

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: _____

| Complaint: | | | | |
|-------------------|----------|---------------|---|---------------|
| Tracking Num | Category | Assigned To | Description | Incident Date |
| 200439126 | SPILLS | Lujan, Carlos | <p>Complainant states: 5641 County Road 320, Rifle, CO 81650 Vent on feeder pipe line is leaking and dripping hydrocarbons on to the ground and the hydrocarbons appear to be heading into Porcupine Creek and into the Colorado River. Vent has never been serviced or checked by the oil and gas company for more the 20 years. The line that the vent is on I believe is from Savage Well 26-32 and connects it it Moore well 27-42 and Pearson well 26-12.</p> <p>Had a very hard time finding the gas company even visited the COGC office in Rifle and they could not fine the pipe line ownership. I was informed by Vaquero Energy 4700 Stockdale Highway Suite 120, Bakersfield, California 93309 that they were shutting down the gas wells in the in Dec. of 2015 since that time the vent (grasshopper) has stop dripping hydrocarbons, and releasing strong hydrocarbon odors to the air, so I am assuming that Vaquero Energy is the owner of the pipe line. I talk with the Garfield County Oil and Gas Liaison officer Kirby Winn about the situation but he was not able to help me since I did not know the owner of the pipe line.</p> <p>Soil has been contaminated around the vent and possible all the way down to the creek.</p> | 03/04/2016 |

Emission Control Burner (ECB): N

Comment: _____

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

Reclamation - Storm Water - Pit

Interim Reclamation:

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: _____

Comment: In Process

1003a. Waste and Debris removed? 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 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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| | | Ditches | Pass | | | |
| Compaction | Pass | | | | | |
| | | Culverts | Pass | | | |

Inspector Name: Murray, Richard

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

Comment: _____

CA: _____

Pits: NO SURFACE INDICATION OF PIT