

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:
08/22/2016
Document Number:
685301200
Overall Inspection:
ACTION REQUIRED

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>214053</u>	<u>325121</u>	<u>St John, William (Cal)</u>	<input type="checkbox"/>	

Operator Information:

OGCC Operator Number:	<u>10254</u>
Name of Operator:	<u>RED MESA HOLDINGS/O&G LLC</u>
Address:	<u>5619 DTC PARKWAY - STE 800</u>
City:	<u>GREENWOOD</u> State: <u>CO</u> Zip: <u>80111</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
T., Alfred	856-767-3000	atgiuliano@giulianomiller.com	All Red Mesa Holdings Inspections
Labowskie, Steve		steve.labowskie@state.co.us	COGCC
Edwards, Robert	609-841-4756	REdwards@giulianomiller.com	All Red Mesa Holdings Inspections

Compliance Summary:

QtrQtr: NWSW 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)
04/01/2015	674601724	PR	SI	ACTION REQUIRED	In Process		No
03/31/2015	668402763	PR	PR	ACTION REQUIRED			No
01/29/2015	667700542	PR	PR	ACTION REQUIRED	In Process		No
10/15/2013	663401271	PR	PR	SATISFACTORY	In Process		No
08/15/2011	200321786	PR	PR	SATISFACTORY			No
08/15/2011	200318535	PR	PR	SATISFACTORY			No
04/09/2009	200208401	ES	PR	ACTION REQUIRED			No
12/04/2007	200123216	PR	PR	SATISFACTORY			No
10/30/2007	200121610	PR	PR	ACTION REQUIRED			Yes
09/04/2007	200121330	PR	PR	ACTION REQUIRED			Yes
05/21/2007	200112650	PR	PR	ACTION REQUIRED		Fail	Yes
01/22/2003	1104917	PR	PR	ACTION REQUIRED		Fail	Yes
10/27/1997	500146651	ES	PR			Pass	No
08/12/1997	500146650	PR	PR			Pass	No
06/12/1996	500146649	PR	PR			Pass	No
08/15/1995	500146648	PR	PR				No

Inspector Comment:

Field inspection conducted to determine current status of location and production equipment. Inspection does not remove requirement to complete any open corrective action requirements from previous inspections. Review report in its entirety for observed issues and comments. See link at end of report for path to downloadable pictures.

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
214053	WELL	PR	01/28/2008	OW	067-05345	SANCHEZ 2	SI	X

Equipment:

Location Inventory

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

Lease Road:

Type	Satisfactory/Action Required	comment	Corrective Action	Date
Access	ACTION REQUIRED	Road is deteriorating but drivable with 2 WD vehicle. Road is mostly covered in weeds and grass.	Maintain and repair roads to comply with Rule 604.c.(2).S.	09/01/2016

Signs/Marker:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
TANK LABELS/PLACARDS	SATISFACTORY			
WELLHEAD	SATISFACTORY	Will need new operator signs within 60 days of change of operator per Rule 210.e.		

Emergency Contact Number (S/AR): _____

Corrective Date: _____

Comment: _____

Corrective Action: _____

Good Housekeeping:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
OTHER	ACTION REQUIRED	Stained soil around wellhead and pump jack.	Clean up and remediate stained soil to comply with Rule 906.a	09/01/2016
TRASH	ACTION REQUIRED	Fitting ends and other drilling/production related trash scattered around location.	Clean up and properly dispose of trash to comply with Rule 603.f using the Rule 603.f guidance document for further details.	09/01/2016

WEEDS	ACTION REQUIRED	Weeds are covering production pad.	Remove weeds and implement weed control program to comply with Rule 603.f using the Rule 603.f guidance document for further details.	09/01/2016
UNUSED EQUIPMENT	ACTION REQUIRED	On the W side of location there is open ended pipe that appears to run N from location.	Remove unused equipment to comply with Rule 603.f using the Rule 603.f guidance document for further details.	09/01/2016
OTHER	ACTION REQUIRED	Oil staining from production tank drain. Staining under load line at tank. Open ended pipe on W side of tank with fluid standing in pipe.	Clean up and remediate stained soil to comply with Rule 906.a	09/01/2016

Spills:				
Type	Area	Volume	Corrective action	CA Date

Multiple Spills and Releases?

Fencing/:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
PUMP JACK	SATISFACTORY	Steel Mesh Safety Barrier.		

Equipment:				
Type: Ancillary equipment	# 1	Satisfactory/Action Required: SATISFACTORY		
Comment	Wellhead			
Corrective Action				Date:
Type: Prime Mover	# 1	Satisfactory/Action Required: SATISFACTORY		
Comment	Electric Motor			
Corrective Action				Date:
Type: Ancillary equipment	# 1	Satisfactory/Action Required: SATISFACTORY		
Comment	Electric Service Equipment			
Corrective Action				Date:
Type: Flow Line	# 1	Satisfactory/Action Required: SATISFACTORY		
Comment				
Corrective Action				Date:
Type: Gas Meter Run	# 1	Satisfactory/Action Required: SATISFACTORY		
Comment				
Corrective Action				Date:
Type: Deadman # & Marked	# 1	Satisfactory/Action Required: ACTION REQUIRED		
Comment	All deadmen not marked. Found only 1.			
Corrective Action	Locate and mark deadmen to comply with Rule 1003.a			Date: 9/1/2016

Type: Pump Jack	# 1	Satisfactory/Action Required: SATISFACTORY
Comment		
Corrective Action		Date:

Tanks and Berms: New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
CRUDE OIL	1	OTHER	STEEL AST	,
S/AR	ACTION REQUIRED	Comment: Drain Valve leaking. Thief hatch latch broken.		
Corrective Action:	Repair or replace leaking valve to comply with Rule 605.d. Repair or replace thief hatch to comply with Rule 605.a.(9).			Corrective Date: 09/01/2016

Paint

Condition	Adequate
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Other (Content) _____

Other (Capacity) 210 BBLs _____

Other (Type) _____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate	Walls Insufficient	Base Insufficient	Inadequate
Corrective Action	Remove weeds and repair berms or install other secondary containment devices to comply with Rule 605.a.(4).			Corrective Date 09/01/2016
Comment	Weeds are growing inside and on containment berms.			

Venting:

Yes/No	NO
Comment	

Flaring:

Type	Satisfactory/Action Required
Comment:	
Corrective Action:	Correct Action Date:

Predrill

Location ID: 214053

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: 214053 Type: WELL API Number: 067-05345 Status: PR Insp. Status: SI

Idle Well

Purpose: Shut In Temporarily Abandoned Reminder: _____

S/A/V: _____ CA Date: _____

CA: _____

Comment: Last reported production was November 2014. if well is not returned to production by November 2016 MIT will be required to comply with Rule 326.b.

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): _____
 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. Waste and Debris removed? _____
 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 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

S/A/V: **ACTION REQUIRED** Corrective Date: **09/01/2016**
 Comment: **Due to the large amount of vegetation covering location I was unable to completely evaluate stormwater for location. There are erosion channels coming off the cut slope and possible sediment deposits along the E perimeter of location.**
 CA: **Install or repair required BMPs per Rule 1002.f. Refer to the Rule 1002.f guidance document for further details.**

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
685301200	INSPECTION APPROVED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3941647
685301244	Sanchez 2 weed garden	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3941597
685301245	Stained soil at load out	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3941598
685301247	Stained soil around pump jack	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3941599
685301250	Erosion channel on cut slope	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3941600
685301252	Open ended pipe	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3941601