

**FORM
INSP**Rev
X/15**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:

07/17/2017

Submitted Date:

07/25/2017

Document Number:

685303583**FIELD INSPECTION FORM**Loc ID 325121 Inspector Name: St John, William (Cal) On-Site Inspection ☐ 2A Doc Num: _____**Status Summary:**

- ☒ THIS IS A FOLLOW UP INSPECTION
- ☒ FOLLOW UP INSPECTION REQUIRED
- ☐ NO FOLLOW UP INSPECTION REQUIRED

Operator Information:OGCC Operator Number: 10254Name of Operator: RED MESA HOLDINGS/O&G LLCAddress: 5619 DTC PARKWAY - STE 800City: GREENWOOD State: CO Zip: 80111**Findings:**16 Number of Comments8 Number of Corrective Actions☒ Corrective Action Response Requested**Contact Information:**

Contact Name	Phone	Email	Comment
Labowskie, Steve		steve.labowskie@state.co.us	COGCC
Roy, Catherine		catherine.roy@state.co.us	
Hughes, Jim		jimo.hughes@state.co.us	
T., Alfred	856-767-3000	atgiuliano@giulianomiller.com	All Red Mesa Holdings Inspections
Edwards, Robert	609-841-4756	REdwards@giulianomiller.com	All Red Mesa Holdings Inspections

Inspected 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	PR

General Comment:

Field inspection conducted to determine current status of location, production equipment, and access road. This inspection does not remove requirement to complete any open corrective action requirements from previous inspections. Status of location has not changed and no operator is currently operating or maintaining location. Review report in its entirety for observed issues and comments. See link at end of report for path to downloadable pictures.

Location				
Lease Road:				
Type	Access			
comment:	Road is deteriorating but drivable with 2 WD vehicle. Road is mostly covered in weeds and grass. Corrective action not completed. Corrective action date remains the same to document days of non-compliance.			
Corrective Action	Maintain and repair roads to comply with Rule 604.c.(2).S.			Date: 09/01/2016
Overall Good: <input type="checkbox"/>				
Emergency Contact Number:				
Comment:				
Corrective Action:				Date: _____
Good Housekeeping:				
Type	WEEDS			
Comment:	Weeds are covering production pad. Corrective action completed by State of Colorado.			
Corrective Action:				Date:
Type	OTHER			
Comment:	Stained soil around wellhead and pump jack. See photo 5. Corrective action not completed. Corrective action date remains the same to document days of non-compliance.			
Corrective Action:	Clean up and remediate stained soil to comply with Rule 907.			Date: 09/01/2016
Type	OTHER			
Comment:	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. See photo 2, 3, and 4. Corrective action not completed. Corrective action date remains the same to document days of non-compliance.			
Corrective Action:	Clean up and remediate stained soil to comply with Rule 907.			Date: 09/01/2016
Type	TRASH			
Comment:	Fitting ends and other drilling/production related trash scattered around location. See photo 5 and 7. Corrective action not completed. Corrective action date remains the same to document days of non-compliance.			
Corrective Action:	Clean up and properly dispose of trash to comply with Rule 603.f using the Rule 603.f guidance document for further details.			Date: 09/01/2016
Type	UNUSED EQUIPMENT			
Comment:	On the W side of location there is open ended pipe that appears to run N from location. See photo 7 and 9. Corrective action not completed. Corrective action date remains the same to document days of non-compliance.			
Corrective Action:	Remove unused equipment to comply with Rule 603.f using the Rule 603.f guidance document for further details.			Date: 09/01/2016
Overall Good: <input type="checkbox"/>				
Spills:				
Type	Area	Volume		

In Containment: No

Comment: ☐ Multiple Spills and Releases?

Equipment:		corrective date
Type: Deadman # & Marked	# 1	
Comment:	All deadmen not marked. Found only 1. See photo 10. Corrective action not completed. Corrective action date remains the same to document days of non-compliance.	
Corrective Action:	Locate and mark deadmen to comply with Rule 1003.a	Date: 09/01/2016
Type: Flow Line	# 11	
Comment:	In use and not in use risers. No current operator and open ended lines. 2017 Flowline NTO work not completed. Inventory is informational only and may not include all risers on location. 3" steel riser with no cap or plug on L side of tank. See photo 2. 3" steel riser from wellhead tubing to production tank. See photo 4. 3" steel line from wellhead splits into 3 risers going into ground. See photo 6. 3" steel riser at wellhead. See photo 6. 3" black poly line at wellhead. See photo 6. 3" steel riser at gas meter run. See photo 8. 6" steel line at gas meter run that splits into 2 lines. 6" steel line at gas meter run. Open ended and appears to head E from location. See photo 9.	
Corrective Action:		Date:

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
CRUDE OIL	1	OTHER	STEEL AST		,
Comment:	Drain Valve leaking. Thief hatch latch broken. See photo 3. Corrective action not completed. Corrective action date remains the same to document days of non-compliance.				
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).				Date: 09/01/2016

Paint

Condition	
Other (Content)	
Other (Capacity)	210 BBLS
Other (Type)	

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate	Walls Insufficient	Base Insufficient	Inadequate
Comment:	Remove weeds and repair berms or install other secondary containment devices to comply with Rule 605.a.(4). See photo 2, 3, and 4. Corrective action not completed. Corrective action date remains the same to document days of non-compliance.			
Corrective Action:	Weeds are growing inside and on containment berms.			Date: 09/01/2016

Venting:

Yes/No	NO
Comment:	
Corrective Action:	Date:

Flaring:			
Type			
Comment:			
Corrective Action:		Date:	

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Inspected FacilitiesFacility ID: 214053 Type: WELL API Number: 067-05345 Status: PR Insp. Status: PR**Idle Well**Purpose: ☒ Shut In ☐ Temporarily Abandoned

Reminder: _____

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.

Corrective Action:

Date: _____

Reclamation - Storm Water - Pit**Storm Water:**

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Compaction	Pass	Compaction	Pass			
Gravel	Pass	Gravel	Pass			

Comment: [Stormwater BMPs appear to be functioning at time of inspection.](#)

Corrective Action:

Date: _____

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
401353965	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4207530
685303584	Access road survey.	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4207516
685303585	Inspection pictures.	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4207517