

FORM
INSPRev
X/15

State of Colorado Oil and Gas Conservation Commission

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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: 10254
 Name of Operator: RED MESA HOLDINGS/O&G LLC
 Address: 5619 DTC PARKWAY - STE 800
 City: GREENWOOD State: CO Zip: 80111

Findings:

- 16 Number of Comments
8 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: <u>09/01/2016</u>
Overall Good: <input type="checkbox"/>			
Emergency Contact Number:			
	Comment:	<input style="width: 50%;" type="text"/>	
	Corrective Action:	<input style="width: 50%;" type="text"/>	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: <u>09/01/2016</u>
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: <u>09/01/2016</u>
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: <u>09/01/2016</u>
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: <u>09/01/2016</u>
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 nto 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	<input type="text"/>
Other (Content)	<input type="text"/>
Other (Capacity)	210 BBLS
Other (Type)	<input type="text"/>

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:	<input type="text"/>
Corrective Action:	Date:

Flaring:			
Type			
Comment:			
Corrective Action:		Date:	

Inspected Facilities

Facility 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