

**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:

10/16/2019

Submitted Date:

10/16/2019

Document Number:

693501649**FIELD INSPECTION FORM**
 Loc ID 321500 Inspector Name: Silver, Randy On-Site Inspection ☐ 2A Doc Num:
Operator Information:OGCC Operator Number: 10369Name of Operator: NATURAL RESOURCE GROUP INCAddress: 801 WEST MINERAL AVE STE 202City: LITTLETON State: CO Zip: 80120**Status Summary:**

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

Findings:11 Number of Comments4 Number of Corrective Actions☒ Corrective Action Response Requested
**ANY CORRECTIVE ACTION(S) FROM
PREVIOUS INSPECTIONS THAT HAVE NOT
BEEN ADDRESSED ARE STILL APPLICABLE**
Contact Information:

| Contact Name | Phone | Email | Comment |
|----------------|---------------------------|----------------------------|---------------------------------|
| Bacon, Duane | 303-545-2620/303-579-6353 | energyoilandgas@gmail.com | All Inspections |
| Gomez, Jason | | jason.gomez@state.co.us | |
| Hickey, Mike | | michael.hickey@state.co.us | |
| Pesicka, Conor | | conor.pesicka@state.co.us | |
| Leonard, Mike | | mike.leonard@state.co.us | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|-------------------|-------------|
| 240972 | WELL | SI | 04/01/2018 | OW | 014-08760 | SHANNON-ROBERTS 3 | SI |

General Comment:

LocationOverall Good: ☒

| | | | |
|----------------------|----------------------|-------|--|
| Signs/Marker: | | | |
| Type | BATTERY | | |
| Comment: | Adequate | | |
| Corrective Action: | | Date: | |
| Type | WELLHEAD | | |
| Comment: | Adequate | | |
| Corrective Action: | | Date: | |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | Adequate | | |
| Corrective Action: | | Date: | |

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Good Housekeeping:

| | | | |
|--------------------|---|-------|------------|
| Type | TRASH | | |
| Comment: | Trash: furniture next to crude oil tank containment berm | | |
| Corrective Action: | Comply with Rule 603 f | Date: | 08/01/2018 |
| Type | OTHER | | |
| Comment: | Stained soil under crude oil load out line. | | |
| Corrective Action: | Properly treat or dispose of oily waste in accordance with 907.e. | Date: | 05/29/2019 |
| Type | WEEDS | | |
| Comment: | Dead weeds around location | | |
| Corrective Action: | Comply with rule 603 f | Date: | 05/13/2019 |

Overall Good: ☐

| | | | |
|----------------|------|--------|--|
| Spills: | | | |
| Type | Area | Volume | |

In Containment: No

Comment:

☐ Multiple Spills and Releases?**Fencing/:**

| | | | |
|--------------------|------------|-------|--|
| Type | WELLHEAD | | |
| Comment: | Steel pipe | | |
| Corrective Action: | | Date: | |

Equipment:

| | | | |
|---------------------|-----|-------|-----------------|
| Type: Gas Meter Run | # 1 | | corrective date |
| Comment: | | | |
| Corrective Action: | | Date: | |

| | | | |
|-----------------------------------|----------------------------------|--|-------|
| Type: Plunger Lift | # 1 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Bird Protectors | # 1 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Horizontal Heated Separator | # 1 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Bradenhead | # 1 | | |
| Comment: | Appears to be plumbed to surface | | |
| Corrective Action: | | | Date: |

Tanks and Berms:

| | | | | | |
|--------------------|---|----------|----------------|---------|--------|
| Contents | # | Capacity | Type | Tank ID | SE GPS |
| PRODUCED WATER | 1 | 100 BBLS | FIBERGLASS AST | | , |
| Comment: | | | | | |
| Corrective Action: | | | | | Date: |

Paint

| | | |
|------------------|----------|--|
| Condition | Adequate | |
| Other (Content) | | |
| Other (Capacity) | | |
| Other (Type) | | |

Berms

| | | | | | |
|--------------------|---|---------------------|---------------------|-------------|------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance | |
| Earth | Adequate | Walls Sufficent | Base Sufficent | Adequate | |
| Comment: | | | | | |
| Corrective Action: | | | | Date: | |
| Contents | # | Capacity | Type | Tank ID | SE GPS |
| CRUDE OIL | 1 | 300 BBLS | STEEL AST | | , |
| Comment: | Mechanical issue: crude oil load out Valve or bull plug appears to be leaking. Crude oil tank appears to be eroding away around base of tank. | | | | |
| Corrective Action: | Securely fasten all valves, pipes, and fittings to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 605.d. | | | | |
| | | | | Date: | 07/19/2018 |

Paint

| | | |
|------------------|----------|--|
| Condition | Adequate | |
| Other (Content) | | |
| Other (Capacity) | | |
| Other (Type) | | |

Berms

| | | | | |
|-------|----------|---------------------|---------------------|-------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Earth | Adequate | Walls Sufficent | Base Sufficent | Adequate |

Inspected FacilitiesFacility ID: 240972 Type: WELL API Number: 014-08760 Status: SI Insp. Status: SI**Idle Well**Purpose: ☒ Shut In ☐ Temporarily AbandonedReminder: EQUIPMENT ONSITEComment: Corrective Action: Date: **COGCC Comments**

| Comment | User | Date |
|---|---------|------------|
| <p>COGCC Inspection Report Summary</p> <p>On Wednesday October 16, 2019 at approximately 11:13AM, I Randy Silver, Conducted a follow up on-site inspection at a Natural Resource Group site Shannon-Roberts #3. Doc#'s 693500461, 685100683, 691400734 and 688402028 at API# 05-014-08760 in Broomfield county Colorado.</p> <p>While there, I observed a production site.</p> <p>During this inspection, the following possible compliance issues were observed:</p> <p>Mechanical issue. Rule 605 d Corrective action date of 7-19-18 see photo 5</p> <p>Trash: Rule 603 f Corrective action date of 8-1-18 See photo 4,6</p> <p>Stained soil: Rule 907 e Corrective action date of 5-29-19 See photo 5</p> <p>Weeds/trash: Rule 603 f Corrective action date of 5-13-19 See photo 4,6</p> <p>This is a follow up inspection per doc# 685100683 . Mechanical issue appears not to have been corrected at time of inspection. Well has been SI since April of 2018 does not require MIT at this time.</p> <p>This a follow up inspection per doc# 691400134 and 688402028 Mechanical issue and Trash appears not to have been corrected at time of inspection. Gauge hatch has been closed at last inspection.</p> <p>Follow up insptection to Doc#693500461 Corrective actions were present: stained soil and Weeds/trash.</p> <p>Natural Resource Group Inc - Operator #10369 bankruptcy was converted to Chapter 7 on September 5/2019.</p> <p>A follow up on this site inspection needs to be conducted to ensure the compliance issues have been corrected to comply with COGCC rules.</p> <p>This is a summary of inspection report.</p> | silverr | 10/16/2019 |

Attached DocumentsYou can go to COGCC Images (<https://cogcc.state.co.us/weblink/>) and search by document number:

| Document Num | Description | URL |
|--------------|-------------|---|
| 693501650 | loc pic | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4964790 |