

**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:

11/13/2020

Submitted Date:

12/02/2020

Document Number:

700900362**FIELD INSPECTION FORM**Loc ID 320461 Inspector Name: Finkenbinder, Chane On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**OGCC Operator Number: 10711Name of Operator: PAINTED PEGASUS PETROLEUM LLCAddress: 16820 BARKER SPRINGS RD #521City: HOUSTON State: TX Zip: 77084**Status Summary:**☐ THIS IS A FOLLOW UP INSPECTION☒ FOLLOW UP INSPECTION REQUIRED☐ NO FOLLOW UP INSPECTION REQUIRED**Findings:**11 Number of Comments3 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 |
|-----------------|-------|-------------------------|---------|
| KEITH HUBBARD | | khubbard@P3Petro.com | |
| Frank Bair | | fbair@p3petro.com | |
| Joey Mustacchia | | jmustacchia@p3petro.com | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|--------------------|-------------|
| 203821 | WELL | SI | 12/01/2019 | GW | 001-09381 | VERNON GRADY 12-20 | SI |

General Comment:

LocationOverall Good: ☒

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

Emergency Contact Number:

Comment: Adequate

Corrective Action:

Date: _____

Good Housekeeping:

| | | | |
|--------------------|--|-------|------------|
| Type | DEBRIS | | |
| Comment: | Dead Weeds, trash and debris. | | |
| Corrective Action: | Location is within a designated setback location, remove trash or debris per Rule 604.c. (2)P. Corrective Action Date 12/18/2020. See attached photos #1 through #7. | Date: | 12/18/2020 |

Overall Good: ☐

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

In Containment: No

Comment:

☐ Multiple Spills and Releases?

| | | | |
|---------------------------------|---|-------|-----------------|
| Equipment: | | | corrective date |
| Type: Bradenhead | # 1 | | |
| Comment: | Appears to be plumbed to surface. | | |
| Corrective Action: | | Date: | |
| Type: Bird Protectors | # 1 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Plunger Lift | # 1 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Ancillary equipment | # 1 | | |
| Comment: | RTU | | |
| Corrective Action: | | Date: | |
| Type: Vertical Heated Separator | # | | |
| Comment: | Stained soil around separator. | | |
| Corrective Action: | Control and contain spills/releases and clean up per Rule 906.a. Contact COGCC EPS staff. Immediately to stop and clean up 24 hours to remove free fluids. . Corrective Action Date 12/30/2020 to remove stained soil. See attached photo #8. | Date: | 12/30/2020 |

Tanks and Berms:

| Contents | # | Capacity | Type | Tank ID | SE GPS | |
|--------------------|---|----------|-----------|---------|-----------------------|--|
| CRUDE OIL | 2 | 300 BBLS | STEEL AST | | 39.864421,-104.244266 | |
| Comment: | | | | | | |
| Corrective Action: | | | | | Date: | |

Paint

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

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance | |
|--|------------|---------------------|---------------------|-------------|------------|
| Earth | Inadequate | Walls Insufficient | Base Insufficient | Inadequate | |
| Comment: Inadequate berms around tank(s) / separator(s). | | | | | |
| Corrective Action: Repair or install berms or other secondary containment devices per Rule 605.a.(4). Corrective Action Date 12/30/2020. See attached photos #5 & #6. | | | | Date: | 12/30/2020 |

Venting:

| | | | |
|--------------------|----|-------|--|
| Yes/No | NO | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Flaring:

| | | |
|--------------------|--|-------|
| Type | | |
| Comment: | | |
| Corrective Action: | | Date: |

Inspected FacilitiesFacility ID: 203821 Type: WELL API Number: 001-09381 Status: SI Insp. Status: SI**Idle Well**Purpose: ☒ Shut In ☐ Temporarily Abandoned Reminder: _____Comment: SI

Corrective Action: _____ Date: _____

BradenHeadDate of Last Brhd Test: _____ Annual Brhd Completed? #Error

Last Brhd Test Results Initial Surf Csg Pressure: _____ Fluid Type: _____

End Surf Csg Pressure: _____

Comment: Appears to be plumbed to surface.

Corrective Action: _____ Date: _____

COGCC Comments

| Comment | User | Date |
|---|----------|------------|
| <p>COGCC Inspection Report Summary</p> <p>On Friday November 13, 2020 at approximately 10:30am, I, Inspector Chane Finkenbinder, conducted an on-site inspection at Vernon Grady, Painted Pegasus Petroleum, at API #001-09381 in Adams County Colorado.</p> <p>While there, I observed a Shut in well,</p> <p>During this inspection the following possible compliance issues were observed:</p> <p>Dead Weeds, trash and debris. Location is within a designated setback location, remove trash or debris per Rule 604.c.(2)P. Corrective Action Date 12/18/2020. See attached photos #1 through #7.</p> <p>Inadequate berms around tank(s) / separator(s) Repair or install berms or other secondary containment devices per Rule 605.a.(4). Corrective Action Date 12/30/2020. See attached photos #5 & #6.</p> <p>Stained soil around separator. Control and contain spills/releases and clean up per Rule 906.a. Contact COGCC EPS staff. Immediately to stop and clean up 24 hours to remove free fluids. . Corrective Action Date 12/30/2020 to remove stained soil. See attached photo #8.</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> | finkenbc | 12/02/2020 |

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

| Document Num | Description | URL |
|--------------|-------------------|---|
| 700900363 | Inspection photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5301787 |