

**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



| | | | |
|----|----|----|----|
| DE | ET | OE | ES |
|----|----|----|----|

Inspection Date:

10/15/2013

Document Number:

663401278

Overall Inspection:

Violation**FIELD INSPECTION FORM**

| | | | | |
|---------------------|---------------|---------------|-------------------------|--|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection |
| | <u>214432</u> | <u>325267</u> | <u>LABOWSKIE, STEVE</u> | <input type="checkbox"/> 2A Doc Num: _____ |

Operator Information:

OGCC Operator Number:

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

- ☐ 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 |
|--------------|----------------|-------------------------|-------------------------|
| Larson, Rich | (970) 588-3302 | rlarson@redmesa1.com | VP/Field Superintendent |
| KOEHLER, BOB | | bob.koehler@state.co.us | |

Compliance Summary:QtrQtr: SENW Sec: 23 Twp: 33N Range: 12W

| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Unsatisfactory | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|------------------------------|----------|----------------|-----------------|
| 01/22/2008 | 200125781 | ID | SI | S | | | N |
| 10/30/2007 | 200121362 | PR | PR | U | | | Y |
| 09/05/2007 | 200121906 | PR | PR | U | | | Y |
| 09/04/2007 | 200119407 | CO | PR | S | | | N |
| 09/04/2007 | 200119410 | PR | PR | U | | | Y |
| 05/21/2007 | 200112654 | CO | PR | U | | F | Y |
| 11/20/2002 | 200031929 | PR | PR | S | | P | N |
| 07/26/2002 | 200030766 | ES | PR | U | | | |
| 07/26/2002 | 200030495 | CO | PR | U | | P | N |
| 01/22/2002 | 1104915 | PR | PR | U | | F | Y |
| 08/12/1997 | 500147354 | PR | PR | | | P | N |
| 06/12/1996 | 500147353 | PR | PR | | | F | Y |
| 08/15/1995 | 500147352 | PR | PR | | | | Y |

Inspector Comment:**Related Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|---------------|--|
| 214432 | WELL | SI | 06/30/2011 | OW | 067-06033 | J C K 3 | SI <input checked="" type="checkbox"/> |

Equipment:Location Inventory

Inspector Name: LABOWSKIE, STEVE

| | | | |
|------------------------------|------------------------|---------------------|-------------------------|
| Special Purpose Pits: _____ | Drilling Pits: _____ | Wells: _____ | Production Pits: _____ |
| Condensate Tanks: _____ | Water Tanks: _____ | Separators: _____ | Electric Motors: _____ |
| Gas or Diesel Mortors: _____ | 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/Unsatisfactory | comment | Corrective Action | Date |
|--------|-----------------------------|---------------------------------------|--|------------|
| Access | Unsatisfactory | tall vegetation at time of inspection | maintain access, clear/mow tall vegetation | 12/10/2013 |

Signs/Marker:

| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
|----------|-----------------------------|---------|-------------------|---------|
| WELLHEAD | Satisfactory | | | |

Emergency Contact Number: (S/U/V) Satisfactory

Corrective Date: _____

Comment: _____

Corrective Action: _____

Good Housekeeping:

| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
|-------|-----------------------------|---|-------------------|---------|
| WEEDS | | weeds on perimeter need controlling next growth cycle | | |

Spills:

| Type | Area | Volume | Corrective action | CA Date |
|------|------|--------|-------------------|---------|
|------|------|--------|-------------------|---------|

☐ Multiple Spills and Releases?

Equipment:

| Type | # | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
|---------------------|---|-----------------------------|---|-------------------|---------|
| Ancillary equipment | 1 | Satisfactory | riser | | |
| Flow Line | 1 | Satisfactory | leaking? | | |
| Pump Jack | 1 | Satisfactory | wellhead leaking? unit appears incapable of operation | | |

Venting:

| Yes/No | Comment |
|--------|--|
| | hydrocarbon odor, audible gas leak at time of inspection |

Flaring:

| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
|------|-----------------------------|---------|-------------------|---------|
|------|-----------------------------|---------|-------------------|---------|

Predrill

Location ID: 214432

Site Preparation:

Lease Road Adeq.: _____ Pads: _____ Soil Stockpile: _____

S/U/V: _____

Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:**S/U/V:** _____ **Comment:** _____**CA:** _____ **Date:** _____**Wildlife BMPs:****S/U/V:** _____ **Comment:** _____**CA:** _____ **Date:** _____**Stormwater:****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: 214432 Type: WELL API Number: 067-06033 Status: SI Insp. Status: SI

Idle WellPurpose: ☒ Shut In ☐ Temporarily Abandoned Reminder: FLOWLINE AVAILABLE-CONNECTED

S/V: Violation

CA Date: 02/11/2014

CA: Well must be either: 1) Put on production or 2) Per COGCC Rule 326.b.(1) a successful mechanical integrity test shall be performed on each shut-in well within two (2) years of the initial shut-in date or 3) Be properly plugged and abandoned. Shut-in and temporarily abandoned wells must be properly reported on COGCC Form 7, Operator's Monthly Production Report.

Comment: _____

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: _____

Complaint:

| Tracking Num | Category | Assigned To | Description | Incident Date |
|--------------|----------|-------------|---|---------------|
| 200112651 | TRASH | WEEMS, MARK | The complainant wants to remain anonymous at this time. The trash at the well site is bothering. | 05/21/2007 |

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. Debris removed? Pass CM _____ CA _____ CA Date _____

Waste Material Onsite? Pass CM _____ CA _____ CA Date _____

Unused or unneeded equipment onsite? _____ CM _____ CA _____ CA Date _____

Pit, cellars, rat holes and other bores closed? Pass CM _____ CA _____ CA Date _____

Guy line anchors removed? _____ CM none readily observed CA _____ CA Date _____

Guy line anchors marked? _____ CM _____ CA _____ CA Date _____

1003b. Area no longer in use? Pass Production areas stabilized ? Pass

1003c. Compacted areas have been cross ripped? _____

1003d. Drilling pit closed? Pass Subsidence over on drill pit? Pass

Cuttings management: _____

Inspector Name: LABOWSKIE, STEVE

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? Pass

Segregated soils have been replaced? Pass

RESTORATION AND REVEGETATION

Cropland

Top soil replaced _____

Recontoured _____

Perennial forage re-established _____

Non-Cropland

Top soil replaced Pass

Recontoured Pass

80% Revegetation In

1003 f. Weeds Noxious weeds? I

Comment: _____

Overall Interim Reclamation In Process

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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Compaction | Pass | Compaction | Pass | | | |
| | | Culverts | Pass | | | |

S/U/V: Satisfactory Corrective Date: _____

Comment: _____

CA: _____

Pits: ☐ NO SURFACE INDICATION OF PIT

COGCC Comments

| Comment | User | Date |
|---|----------|------------|
| gas leaking from wellhead and or old meter station/pipeline, Rule 604.c and others adress mechanical conditions of equipment and unintentional release of hydrocarbons. | labowsks | 11/12/2013 |