

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



Inspection Date:
02/06/2016
Document Number:
685200012
Overall Inspection:
ACTION REQUIRED

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>214536</u>	<u>325308</u>	<u>LABOWSKIE, STEVE</u>	<input type="checkbox"/>	

Operator Information:

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

- 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
Giuliano, Alfred	856-767-3000	atgiuliano@giulianomiller.com	Trustee (All Inspections)
Ash, Margaret		margaret.ash@state.co.us	
Edwards, Robert	609-841-4756	REdwards@giulianomiller.com	Giuliano Miller & Company, LLC
Ferrin, Jeremy		jeremy.ferrin@state.co.us	
Adamczyk, Megan		megan.adamczyk@state.co.us	

Compliance Summary:

QtrQtr:	<u>NW</u>	Sec:	<u>1</u>	Twp:	<u>32N</u>	Range:	<u>13W</u>
Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
03/31/2015	668402740	PR	TA	ACTION REQUIRED			No
03/24/2015	674601592	PR	SI	ACTION REQUIRED	I		No
09/05/2012	669400099	PR	PR	SATISFACTORY	I		No
09/08/2011	200321779	PR	PR	SATISFACTORY			No
10/26/2009	200221353	PR	PR	SATISFACTORY			No
05/24/2006	200090809	PR	PR	ACTION REQUIRED		Fail	Yes
05/16/2001	200018746	PR	PR	ACTION REQUIRED		Fail	Yes
01/09/1998	500147501	PR	PR			Pass	No

Inspector Comment:

Inspection of access road in response to additional landowner complaints about road damage, damage to fencing and gate and tank battery not being cleaned up. Impacts appear to be from vehicle traffic in and out of the Red Mesa Holdings K-6 well which lies beyond the Cushing C-1 and uses the same access of CR 136 which uis also in same area where landowners driveway comes out onto CR 136. The tank battery and much of the area in question show up within the right-of-way on La Plata County GIS.

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
214536	WELL	PR	08/01/2013	GW	067-06139	CUSHING C-1	TA <input checked="" type="checkbox"/>

Equipment:

Location Inventory

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/Action Required	comment	Corrective Action	Date
Access		see previous inspection doc#68520009 for corrective action about road. Rutting appears to be more severe than previous 1/28 inspection.		

Signs/Marker:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Emergency Contact Number (S/AR): _____ Corrective Date: _____

Comment: _____

Corrective Action: _____

Good Housekeeping:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Spills:				
Type	Area	Volume	Corrective action	CA Date
<input type="checkbox"/> Multiple Spills and Releases?				

Fencing/:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Equipment:				
Type:	#	Satisfactory/Action Required:		
Comment				
Corrective Action				Date:

Venting:	
Yes/No	
Comment	

Flaring:

Type	Satisfactory/Action Required	
Comment:		
Corrective Action:	Correct Action Date:	

Predrill

Location ID: 214536

Site Preparation:

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

S/AR: _____

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

Form 2A COAs:

S/AR: _____ **Comment:**

CA: **Date:** _____

Wildlife BMPs:

S/AR: _____ **Comment:**

CA: **Date:** _____

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: 214536 Type: WELL API Number: 067-06139 Status: PR Insp. Status: TA

Complaint

Comment: Landowners filed an additional complaint to still open complaint #200438864. Inspection staff observed more vehicle rutting and some sediment being tracked out onto county road. Landowners complained about damaged fencing and gate. Fencing appears to have been down before the significant snow accumulations of Dec 2015 and January. The gate appears to have some damage, is off hinges and somewhat bent. There is now road base at end of landowners driveway to alleviate muddy rutted condition in this area that was cited during previous inspection. It appears significant vehicle traffic has been using this road to access the Red Mesa Holdings Kroeger K-6 well. Access was too rutted, muddy and dangerous for staff to make it all the way to the K-6 well. It appears significant operations and possible production is taking place at the K-6 well.

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:

DWR Receipt Num: _____ Owner Name: _____ GPS : _____ Lat _____ Long _____

Field Parameters:

Sample Location: _____

Complaint:

Tracking Num	Category	Assigned To	Description	Incident Date
200438864	ROADS	Labowskie, Steve	After Mobil oil removed 2 oil battery storage tanks and in doing so damaged our driveway with a lot of water and mud, which we can not traverse. We need to use the driveway to access the county road. The mud is deep and slick and the vehicles get stuck driving through it, snow prevents us from going around. We require this access to leave the property and obtain fuel from the generator and propane. This request is very urgent because we are stuck on our property with an impending snow storm. The complainant has not contacted the oil company yet. They were not contacted by the oil company, only two workers on site.	01/28/2016

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. Waste and Debris removed? _____
 CM _____

CA _____ CA Date _____

Unused or unneeded equipment onsite? _____

CM _____

CA _____ CA Date _____

Pit, cellars, rat holes and other bores closed? _____

CM _____

CA _____ CA Date _____

Guy line anchors marked? _____

CM _____

CA _____ CA Date _____

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

1003c. Compacted areas have been cross ripped? _____

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

Cuttings management: _____

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? _____ Segregated soils have been replaced? _____

RESTORATION AND REVEGETATION

Cropland

Top soil replaced _____ Recontoured _____ Perennial forage re-established _____

Non-Cropland

Top soil replaced _____ Recontoured _____ 80% Revegetation _____

1003 f. Weeds Noxious weeds? _____

Comment: _____

Overall Interim Reclamation _____

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
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Storm Water:						
Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment

S/A/V: _____ Corrective Date: _____

Comment: see previous inspection for corrective action about access road and vehicle tracking, vehicle tracking is becoming worse with worsening muddy/rutted conditions.

CA: _____

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
685200030	access road	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3783528
685200031	tank battery area	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3783530
685200032	gate	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3783532