

**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:

08/09/2017

Submitted Date:

08/22/2017

Document Number:

685303663**FIELD INSPECTION FORM**Loc ID 385332 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: 10254Name of Operator: RED MESA HOLDINGS/O&G LLCAddress: 5619 DTC PARKWAY - STE 800City: GREENWOOD State: CO Zip: 80111**Findings:**

- 7 Number of Comments
- 3 Number of Corrective Actions
- ☒ Corrective Action Response Requested

Contact Information:

| Contact Name | Phone | Email | Comment |
|--------------------|-------|-------------------------------|---------|
| Schlagenhauf, Mark | | mark.schlagenhauf@state.co.us | |
| Labowskie, Steve | | steve.labowskie@state.co.us | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|---------------|-------------|
| 214050 | WELL | PA | 11/19/2013 | GW | 067-05341 | SANCHEZ 3 | PA |

General Comment:

This is an orphan well inspection with emphasis on critical maintenance and abandonment. None of the previously identified corrective actions have been performed, corrective actions are still required.

With no current operator this orphan well inspection included portions of May 2017 Flowline NTO to mark and inventory flowline risers. Due to location conditions and with no operator to provide assistance this inventory is informational only and may not identify all flowlines and risers.

See link at end of report for path to downloadable pictures.

LocationOverall Good: ☐

Emergency Contact Number:

Comment: Corrective Action: Date: **Good Housekeeping:**

| | | | |
|--------------------|---|--|------------------|
| Type | UNUSED EQUIPMENT | | |
| Comment: | Not in use - 2" steel line comes out of the ground in the W tank berm. Pipe end is not threaded. Garmin coordinates 37.05275, -108.07814. Line painted orange by inspector. | | |
| Corrective Action: | 5 days to mark and tag unused line(s) and 10 days to contact the Integrity group for discussion as per the CA matrix. | | Date: 09/02/2017 |

Overall Good: ☐**Spills:**

| | | | | |
|------|------|--------|--|--|
| Type | Area | Volume | | |
|------|------|--------|--|--|

In Containment: No

Comment: ☐ Multiple Spills and Releases?**Equipment:**

| | | | |
|--------------------|---|--|------------------|
| Type: Other | # 5 | | corrective date |
| Comment: | There are 5 power poles with electrical lines that provided power to P&A wellhead production equipment. | | |
| Corrective Action: | Remove poles and lines to comply with Rule 1004.a. | | Date: 10/22/2017 |
| Type: Flow Line | # 3 | | |
| Comment: | In use - 2" steel line connected at base of tank. (B) point unknown. In use - 2" steel line connected to top of tank. (B) point unknown. Not in use - 2" steel riser at back of tank berm. (B) point unknown. | | |
| Corrective Action: | | | Date: |

Tanks and Berms:

| | | | | | | |
|--------------------|--|----------|-----------|---------|-----------------------|--|
| Contents | # | Capacity | Type | Tank ID | SE GPS | |
| OTHER | 1 | OTHER | STEEL AST | | 37.052770,-108.078010 | |
| Comment: | Above ground tank. Tank has a minor leak on W side and at drain valve. Tank was left after well was P&A and plumbed as part of gathering system. As wells are plugged and gathering system is removed tank should be created to remove tank. Tank is empty with 4"-8" of fluid in the bottom of tank. Tank labeled as empty by inspector. | | | | | |
| Corrective Action: | | | | | Date: | |

Paint

| | | |
|------------------|---|--|
| Condition | Adequate | |
| Other (Content) | | |
| Other (Capacity) | No data plate or label. Possibly 500BBLS. | |
| Other (Type) | | |

Berms

| | | | | |
|------|----------|---------------------|---------------------|-------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|------|----------|---------------------|---------------------|-------------|

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

Venting:

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

Flaring:

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

| | | | | |
|--|--|--|--|--|
| | | | | |
|--|--|--|--|--|

Inspected FacilitiesFacility ID: 214050 Type: WELL API Number: 067-05341 Status: PA Insp. Status: PA**Cement**Cement Contractor

Contractor Name: _____

Contractor Phone: _____

Surface Casing

Cement Volume (sx): _____

Circulate to Surface: _____

Cement Fall Back: _____

Top Job, 1" Volume: _____

Intermediate Casing

Cement Volume (sxs): _____

Good Return During Job: _____

Production Casing

Cement Volume (sx): _____

Good Return During Job: _____

Plugging Operations

Depth Plugs(feet range): _____

Cement Volume (sx): _____

Good Return During Job: _____

Cement Type: _____

Comment: Well reported as P&A 11/19/2013. Work required by Rule 1004.a not completed.Corrective Action: Complete reclamation work to comply with Rule 1004.a

Date: 01/01/2019

COGCC Comments

| Comment | User | Date |
|--|---------|------------|
| Tasks will likely include tank removal, flowline removal/abandonment, and site production related debris clean-up. Additional task after production tank removal will be removal of impacted soil and possible sampling and analysis of the area. Final task would be final reclamation of location. | stjohnw | 08/18/2017 |

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

| Document Num | Description | URL |
|--------------|----------------------|---|
| 401383876 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4234863 |
| 685303674 | Inspection photos. | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4234849 |