

March 29, 2019

Mr. Edward Ingvie  
Renegade Oil and Gas Company LLC  
6155 South Main Street #210  
Aurora, CO 80016  
Via email: [ed@renegadeoilandgas.com](mailto:ed@renegadeoilandgas.com)

Re: Cox 1-8 Pit Closure

Dear Mr. Ingvie,

The Colorado Oil and Gas Conservation Commission (COGCC) records show that Renegade Oil and Gas Company LLC (Operator Number 741165) is the operator of record for the Cox #1-8 (API 05-005-06928). The COGCC has been reviewing records associated with a change of ownership of a nearby well and has found a discrepancy in the records for the Cox #1-8 that needs to be addressed.

Pit Facility ID #114590 is currently and incorrectly associated in the COGCC's database to Tindall Operating Company (Operator Number 88380) and to the Cox 1-A (API 05-005-06569). The pit facility is named "Cox 1-8" and the associated documents indicate that the facility consists of two pits which should have been related to the well of the same name. The COGCC can administratively correct this record and adjust the pit facility location (latitude and longitude) to coincide with the tank battery facility where they were actually located.

Based on a desktop review of documents and aerial imagery, the COGCC has established a timeline related to the Cox 1-8 pits (attached). The timeline indicates that the pits were closed sometime between 2009 and 2011, although the exact date is not clear. COGCC Rule 905 and 909 require the prior approval of a Form 27 Site Investigation and Remediation Workplan for pit closure; therefore it is evident that these pits were not closed in accordance with the COGCC's Rules. The failure to follow the COGCC's Rules for pit closure represents a threat to the environment, including water resources. Until such time as a proper investigation is conducted, the COGCC considers this threat ongoing.

As provided for in Rule 901.c., the COGCC hereby requires Renegade Oil and Gas Company LLC to investigate and remediate any impacts associated with the improper closure of the two pits related to the Cox 1-8 well. Within 30 days of receipt of this letter, submit a Form 27 describing your investigation work plan which shall include subsurface soil sampling, a

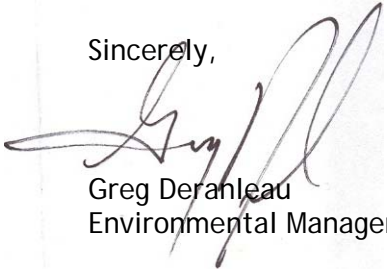


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determination of the presence of groundwater, and sampling of groundwater, if present. Your investigation shall delineate the vertical and lateral extent of impacts, if identified. Spills or releases shall be reported in accordance with Rule 906, and the investigation and remediation shall be conducted in accordance with Rule 909 and 910.

Your eForm 27 will be routed to Bob Chesson, Environmental Protection Specialist for review and approval.

Sincerely,

A handwritten signature in dark ink, appearing to read "Greg Deranleau", is written over a light gray rectangular background.

Greg Deranleau  
Environmental Manager

Cc: Bob Chesson, COGCC, via email [robert.chesson@state.co.us](mailto:robert.chesson@state.co.us)  
Facility 114590, API 05-005-06928 file

### Cox 1-8 Pit Timeline

The Cox 1-8 (API 05-005-06928) was drilled by Tucker Energy Corporation on August 15, 1985 (see doc #423109, well completion report).

Tindall Operating Company submitted a Form 10 Producer's Certificate of Clearance and Authorization to Transport Oil or Gas from a Well (doc #423108) which included a change of Operator from Tucker effective November 1, 1985.

In March 1986, COGCC notified Tucker and Tindall that a pit permit is required for the lease (doc #580748).

On April 7, 1986, Tindall submitted an Application for Permit to Use Earthen Pit (doc #580749) for a new 427 bbl produced water pit. COGCC approved the Permit on May 8, 1986. According to the application, the pit was located on the south end of the remote tank battery located in the SW-NW-SW Section 8, Twp 5 South, Range 62 West. The sealing material was listed as "Natural clay in the soil." The condition of approval was "existing pits must be covered."

On October 22, 1986, Tindall submitted a second Application for Permit to Use Earthen Pit (doc #580747) for a new 1068 bbl pit "#2." COGCC approved the Permit in November 1986. According to the application, the pit was located north of the previous pit, east of the remote tank battery located in the SW-NW-SW Section 8, Twp 5 South, Range 62 West. (See Figure 1) The sealing material was listed as "Natural clay in the soil." The condition of approval was "PIT MUST BE LINED WITH AN IMPERVEOUS SEAL WHEN INFLOW REACHES 5 BWPD. ADVISE WHEN PIT IS TO BE LINED."

7/5/1995 Inspection Report (doc #423105): "Skim pit in disrepair. Filled with water screen needs to be repaired"

3/9/2005 Inspection Report (doc #200067839): "REMOVE JUNK FROM WELLSITE AND PRODUCTION PIT. REPLACE OR REPAIR SCREEN OVER SKIM PIT."

Google Earth Imagery dated 2/29/2008 clearly shows two pits at tank battery. (See Figure 2)

COGCC GIS Online imagery for 2009 obtained from NRCS-NAIP "for the summer of 2009" clearly indicates the presence of two pits, neither appear lined. (See Figure 3)

On June 21, 2010 COGCC approved the Form 10 Certificate of Clearance and/or Change of Operator which changed the operator of the Cox #1-8 (API #05-005-06928) from Tindall to Renegade Oil and Gas Company, LLC, effective January 1, 2010.

Google Earth Imagery dated 7/7/2011 shows that pits may have been filled in, although standing water is present at original pit location. (See Figure 4)

Google Earth Imagery dated 8/18/2011 shows outlines of pits that do not appear closed or filled in. This image is consistent with COGCC GIS Online imagery for 2011 obtained from NRCS-NAIP "for the summer of 2011." (See Figure 5&6)

Google Earth Imagery dated 9/6/2013 clearly shows pits are no longer present at tank battery. (See Figure 7)

Figure 1:

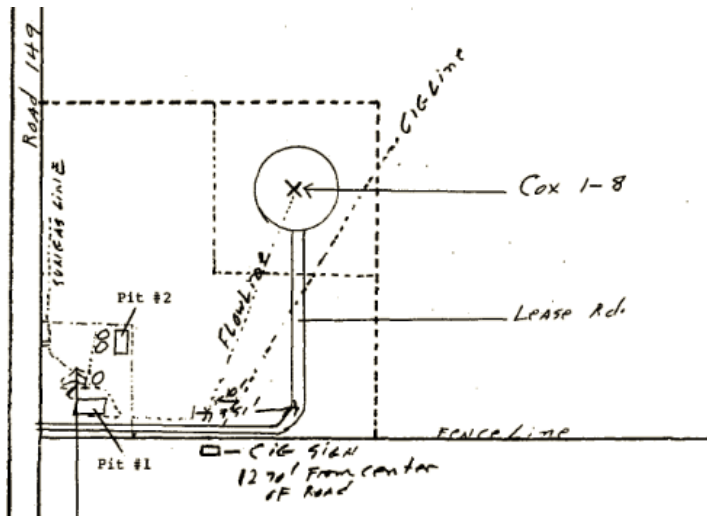


Figure 2:



Figure 3:



Figure 4:



Figure 5:



Figure 6:



Figure 7:

