

**FORM
INSP**Rev
X/20**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:

10/24/2022

Submitted Date:

10/24/2022

Document Number:

707900078**FIELD INSPECTION FORM**Loc ID 429093 Inspector Name: Silver, Randy On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**OGCC Operator Number: 10412Name of Operator: AUSCO PETROLEUM INCAddress: 113 N SANTA FE AVENUECity: FLORENCE State: CO Zip: 81226**Status Summary:**☐ THIS IS A FOLLOW UP INSPECTION☒ FOLLOW UP INSPECTION REQUIRED☐ NO FOLLOW UP INSPECTION REQUIRED**Findings:**18 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
Labowskie, Steve		steve.labowskie@state.co.us	
Burn, Diana		diana.burn@state.co.us	
Leonard, Mike		mike.leonard@state.co.us	
Hart, Tim		thart@fremontpetroleum.com	All inspections
Beardslee, Tom		tom.beardslee@state.co.us	
Harkins, Liz		lharkins@fremontpetroleum.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
430103	WELL	SI	01/01/2020	GW	043-06221	Pathfinder 2	SI

General Comment:

LocationOverall Good: ☒**Signs/Marker:**

Type	TANK LABELS/PLACARDS		
Comment:	Produced water tank NFPA placards faded need to be replaced		
Corrective Action:	Install sign to comply with Rule 605.d.	Date:	11/24/2022
Type	WELLHEAD		
Comment:	Adequate		
Corrective Action:		Date:	

Emergency Contact Number:

Comment:		
Corrective Action:		Date: _____

Overall Good: ☒**Spills:**

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

In Containment: No

Comment: _____

☐ Multiple Spills and Releases?**Fencing/:**

Type	LOCATION		
Comment:	Barbwire		
Corrective Action:		Date:	

Equipment:

Type: Bird Protectors	# 4		corrective date
Comment:			
Corrective Action:		Date:	
Type: Other	# 1		
Comment:	Camper trailer.		
Corrective Action:		Date:	
Type: Pump Jack	# 1		
Comment:			
Corrective Action:		Date:	
Type: Other	# 1		
Comment:	Load bank		
Corrective Action:		Date:	
Type: Prime Mover	# 1		
Comment:	Electric motor		
Corrective Action:		Date:	
Type: Horizontal Heated Separator	# 1		

Comment:			
Corrective Action:		Date:	
Type: Bradenhead	# 2		
Comment:			
Corrective Action:		Date:	
Type: Other	# 1		
Comment:	Start up generator 150K		
Corrective Action:		Date:	
Type: Ancillary equipment	# 2		
Comment:	Electric panel		
Corrective Action:		Date:	
Type: Other	# 2		
Comment:	Vertical separators for generators		
Corrective Action:		Date:	
Type: Other	# 2		
Comment:	Crypto mining units and cooling systems		
Corrective Action:		Date:	
Type: Gas Meter Run	# 1		
Comment:			
Corrective Action:		Date:	
Type: Emission Control Device	# 2		
Comment:			
Corrective Action:		Date:	
Type: Other	# 1		
Comment:	Office trailer		
Corrective Action:		Date:	
Type: Other	# 1		
Comment:	Supply trailer		
Corrective Action:		Date:	
Type: Other	# 2		
Comment:	Generatros 1.3 meg.		
Corrective Action:		Date:	

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	2	400 BBLs	STEEL AST		,
Comment:					
Corrective Action:					Date:

Paint

Condition	Adequate
Other (Content)	

Other (Capacity)						
Other (Type)						

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Earth	Adequate	Walls Sufficent	Base Sufficient	Adequate	
Comment:					
Corrective Action:					Date:

Contents	#	Capacity	Type	Tank ID	SE GPS	
CRUDE OIL	2	400 BBLS	STEEL AST		,	
Comment:						
Corrective Action:						Date:

Paint

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

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Comment: Shares containment with produced water tanks.					
Corrective Action:					Date:

Wells Served By Facilities Above

API Number
043-06221
043-06216

AirsID

API Number	AirsID

Venting:

Yes/No	NO		
Comment:			
Corrective Action:		Date:	

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Inspected Facilities

Facility ID: 430103 Type: WELL API Number: 043-06221 Status: SI Insp. Status: SI

Producing Well

Comment: Form 42 notice to return to production notice was approved on 9-13-22 Doc#403165081. A mechanical integrity test will be performed on each Shut-in Well within 2 years of the initial shut-in date. Subsequently, a mechanical integrity test will be performed on each Shut-in Well on 5-year intervals from the date the initial mechanical integrity test was performed, as long as the Well remains shut-in.

Corrective Action: No MIT was performed to be able to return well to production. Comply with rule 417 b (1) (2)

Date: 11/24/2022

BradenHead

Date of Last Brhd Test: _____ Annual Brhd Completed? No

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

End Surf Csg Pressure: _____

Comment: Operator will perform an annual Bradenhead test and submit the data to the Director on a Form 17 or other Director-approved method.

11/24/2022

Corrective Action: Annual Bradenhead Testing and Reporting 419 C

Date:

COGCC Comments

Comment	User	Date
<p>COGCC Inspection Report Summary</p> <p>On Thursday October 20 at approximately 9:00AM, I, Inspector Randy Silver, conducted an on-site inspection.</p> <p>Location: Pathfinder #1</p> <p>Operator: Fremont Petroleum</p> <p>API#: 043-06221</p> <p>County: Fremont</p> <p>While there, I observed an oil and gas facility with crypto mining equipment being utilized. During this inspection the following possible compliance issues were observed:</p> <p>MIT: Rule 417 b (1)(2) Corrective action date of 11-24-22</p> <p>Braden head: Rule 419 Corrective action date of 11-24-22</p> <p>Placards: Rule 605 g Corrective action date of 11-24-22 see photo 15</p> <p>Weather conditions: Clear</p> <p>At time of inspection did walk through with Generator rep running equipment (Aggreko) and walk through with crypto mining rep (Elete Mining Inc.)</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>	silverr	10/24/2022

Attached Documents

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

Document Num	Description	URL
403205945	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5894297
707900079	LOC PICS	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5894296