

**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:

09/22/2023

Submitted Date:

09/24/2023

Document Number:

708901771

FIELD INSPECTION FORM

Loc ID 323783 Inspector Name: Smelser, Wayne 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: 10550
Name of Operator: MUSTANG RESOURCES LLC
Address: 1660 LINCOLN STREET SUITE 1450
City: DENVER State: CO Zip: 80264

Findings:

- 24 Number of Comments
- 3 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 |
|--------------|-------|--------------------------|---------|
| , Mustang | | nwelch@vaqueroenergy.com | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|-------------------|-------------|
| 210798 | WELL | PR | 12/01/2016 | GW | 045-06556 | MEAD 23-44-6S-94W | PR |

General Comment:

[CECMC Inspection Report Summary](#)
On 09/22/2023 at approximately 11:15 hours, I, Compliance Specialist, Wayne Smelser Conducted an on-site inspection at MUSTANG RESOURCES LLC MEAD 23-44-6S-94W Pad. Location # 323783 in Garfield County Colorado. Location is within High Priority/Density/Black Bear Habitat areas/Bald Eagle Roost site & in close proximity to NSO Habitat area. Location is approximately 240 yards from Beaver Creek & approximately 575 yards from the Colorado River. While there, I observed normal production operations.

During this inspection the following compliance issues were observed:

1. Signs/Marker - Compressor engine oil tank not properly labeled/missing required information with a CA date of 10/24/2023.
2. Stormwater - Erosion & transport of sediment onto location, erosion & transport of sediment off location & lack of stabilization on slope with a CA date of 10/09/2023
3. Housekeeping - Stained soils & gravel in multiple areas of location with a CA date of 10/04/2023

A follow up on this site inspection needs to be conducted to ensure the compliance issues have been corrected to comply with CECMC rules.
This is a summary of inspection report.

| Location | | | |
|--|--|------|-------------------------|
| Lease Road: | | | |
| | Type Access | | |
| | comment: | | |
| | Corrective ActionL | | Date: |
| Overall Good: <input type="checkbox"/> | | | |
| Signs/Marker: | | | |
| | Type BATTERY | | |
| | Comment: | | |
| | Corrective Action: | | Date: |
| | Type WELLHEAD | | |
| | Comment: | | |
| | Corrective Action: | | Date: |
| | Type OTHER | | |
| | Comment: Separator unit includes attached storage tank. The sight glass located on the side of the unit indicates the storage tank is full of an unknown fluid. No form of labeling or markers are present to identify a potential hazard or the contents of the storage tank. | | |
| | Corrective Action: | | Date: |
| | Type TANK LABELS/PLACARDS | | |
| | Comment: Compressor engine oil tank missing required information | | |
| | Corrective Action: All Tanks with a capacity of 10 Barrels or greater will be labeled or posted with the following information: A. Name of Operator; B. Operator's emergency contact telephone number; C. Tank capacity; D. Tank contents; and E. NFPA label or equivalent globally harmonized label. | | Date: <u>10/24/2023</u> |
| | Type CONTAINERS | | |
| | Comment: Compressor engine oil tank | | |
| | Corrective Action: | | Date: |
| Emergency Contact Number: | | | |
| | Comment: <u>911/888-291-8588</u> | | |
| | Corrective Action: | | Date: _____ |
| Good Housekeeping: | | | |
| | Type DEBRIS | | |
| | Comment: Debris - please refer to photo log | | |
| | Corrective Action: | | Date: |
| | Type OTHER | | |
| | Comment: Stained soils & gravel in multiple areas of location | | |
| | Corrective Action: Remove and properly dispose of all stained soils and gravel. | | Date: <u>10/04/2023</u> |
| Overall Good: <input type="checkbox"/> | | | |
| Spills: | | | |
| | Type | Area | Volume |

In Containment: No

Comment:

Multiple Spills and Releases?

Fencing/:

| | | | |
|--------------------|-------------|--|-------|
| Type | LOCATION | | |
| Comment: | Barbed wire | | |
| Corrective Action: | | | Date: |

Equipment:

| Type | # | Comment | corrective date |
|-----------------------------|---|---------|-----------------|
| Horizontal Heated Separator | # 1 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Bradenhead | # 1 | | |
| Comment: | No form of pressure monitoring equipment located on bradenhead, bradenhead valve is accessible. | | |
| Corrective Action: | | | Date: |
| Plunger Lift | # 0 | | |
| Comment: | Well is not on plunger lift | | |
| Corrective Action: | | | Date: |
| Ancillary equipment | # 1 | | |
| Comment: | Compressor engine oil tank | | |
| Corrective Action: | | | Date: |
| Bird Protectors | # 2 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Compressor | # 1 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Deadman # & Marked | # 4 | | |
| Comment: | Marked | | |
| Corrective Action: | | | Date: |
| Gas Meter Run | # 2 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |

Tanks and Berms:

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|----------------------|----------|-----------|---------|--------|
| OTHER | 1 | <50 BBLS | STEEL AST | | , |
| Comment: | Separate containment | | | | |
| Corrective Action: | | | | | Date: |

Paint

| | |
|-----------|----------|
| Condition | Adequate |
|-----------|----------|

| | | |
|------------------|-----------------------|--|
| Other (Content) | Compressor engine oil | |
| Other (Capacity) | 500 gal | |
| Other (Type) | | |

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|--------------------|----------|---------------------|---------------------|-------------|
| Metal | Adequate | Walls Sufficent | Base Sufficent | |
| Comment: | | | | |
| Corrective Action: | | | | Date: |

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|----------------------|----------|-----------|---------|--------|
| CONDENSATE | 1 | 300 BBLs | STEEL AST | | |
| Comment: | Separate containment | | | | |
| Corrective Action: | | | | | Date: |

Paint

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

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|--------------------|----------|---------------------|---------------------|-------------|
| Metal | Adequate | Walls Sufficent | Base Sufficent | |
| Comment: | | | | |
| Corrective Action: | | | | Date: |

Venting:

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

Flaring:

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

Inspected Facilities

Facility ID: 210798 Type: WELL API Number: 045-06556 Status: PR Insp. Status: PR

Producing Well

Comment: [Producing, well not on plunger lift](#)

Corrective Action:

Date:

Reclamation - Storm Water - Pit

Storm Water:

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---|
| Other | Fail | | | | | Erosion & transport of sediment off location |
| | | Gravel | | | | Sparse |
| Other | Fail | | | | | Lack of stabilization on slope |
| Gravel | | | | | | Sparse in areas |
| Other | Fail | | | | | Erosion & transport of sediment onto location |
| | | Compaction | | | | Some light compaction |
| Compaction | | | | | | Areas with light compaction |

Comment: [1. Erosion & transport of sediment onto location/insufficient BMP's](#)
[2. Erosion & transport of sediment off location & into vegetation/insufficient BMP's](#)
[3. Lack of stabilization on slope & transport of sediment onto location/insufficient BMP's](#)

Corrective Action: **Oil and gas operators shall implement and maintain Best Management Practices (BMPs) at all oil and gas locations to control stormwater runoff in a manner that minimizes erosion, transport of sediment offsite, and site degradation. BMPs shall be maintained until the facility is abandoned and final reclamation is achieved.**

Date: 10/09/2023

Pits: NO SURFACE INDICATION OF PIT

COGCC Comments

| Comment | User | Date |
|---|----------|------------|
| Please refer to Signs/Marker, Housekeeping & Stormwater for observed compliance issues. | smelserw | 09/24/2023 |

Attached Documents

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

| Document Num | Description | URL |
|--------------|---|---|
| 708901773 | Inspection 708901771 photo log | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6262158 |
| 708901774 | Inspection 708901771 Stormwater photo log | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6262161 |