

**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:

11/27/2023

Submitted Date:

11/28/2023

Document Number:

708902360**FIELD INSPECTION FORM**Loc ID 322308 Inspector Name: Smelser, Wayne On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**OGCC Operator Number: 10550Name of Operator: MUSTANG RESOURCES LLCAddress: PO BOX 13550City: BAKERSFIELD State: CA Zip: 93389**Status Summary:**☐ THIS IS A FOLLOW UP INSPECTION☒ FOLLOW UP INSPECTION REQUIRED☐ NO FOLLOW UP INSPECTION REQUIRED**Findings:**18 Number of Comments5 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 | |
| Toews, Wesley | | wtoews@blm.gov | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|-----------------------------|-------------|
| 210241 | WELL | SI | 07/01/2023 | GW | 045-05206 | RULISON FEDERAL 3-94-7S-94W | SI |

General Comment:CECMC Inspection Report SummaryOn 11/27/2023 at approximately 11:41 hours, I, Compliance Specialist, Wayne SmelserConducted an on-site inspection at MUSTANG RESOURCES LLC RULISON FEDERAL 3-94-7S-94WLocation # 322308 in Garfield County Colorado.Location is within High Priority/Density/Black Bear Habitat areas.While there, I observed normal production operations.During this inspection the following compliance issues were observed:

1. Stormwater - Erosion & transport of sediment off location & lack of stabilization/compaction with a CA date of 12/13/2023
2. Signs/Marker - Production tank not properly labeled/missing required information with a CA date of 12/28/2023
3. Equipment - Open ended load line with a CA date of 12/05/2023
4. Equipment - No cal card/meter calibration info not conspicuously posted with a CA date of 12/08/2023
5. Tanks & Berms - Hole is secondary containment liner/liner needs maintenance with a CA date of 12/18/2023

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 Action | L | | Date: |
| Overall Good: <input type="checkbox"/> | | | |
| Signs/Marker: | | | |
| 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: | Production tank not properly labeled/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: 12/28/2023 |
| Type | WELLHEAD | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type | BATTERY | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Emergency Contact Number: | | | |
| Comment: | 911/1-888-291-8588 | | |
| Corrective Action: | | | Date: _____ |
| Good Housekeeping: | | | |
| Type | DEBRIS | | |
| Comment: | Debris - please refer to photo log | | |
| Corrective Action: | | | Date: |
| Overall Good: <input type="checkbox"/> | | | |
| Spills: | | | |
| Type | Area | Volume | |
| In Containment: No | | | |
| Comment: | | | |
| <input type="checkbox"/> Multiple Spills and Releases? | | | |
| Equipment: | | | |
| Type: Bird Protectors | # 1 | | corrective date |

| | | | |
|-----------------------------------|---|-------|------------|
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Plunger Lift | # 1 | | |
| Comment: | Well on plunger lift | | |
| Corrective Action: | | Date: | |
| Type: Gas Meter Run | # 1 | | |
| Comment: | No cal card/meter calibration info not conspicuously posted | | |
| Corrective Action: | The Operator will conspicuously post and maintain the date of the last meter calibration in a legible condition at each meter at all times. | Date: | 12/08/2023 |
| Type: Deadman # & Marked | # 2 | | |
| Comment: | Marked | | |
| Corrective Action: | | Date: | |
| Type: Horizontal Heated Separator | # 1 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Other | # 1 | | |
| Comment: | Open ended load line | | |
| Corrective Action: | All load lines will be capped or plugged | Date: | 12/05/2023 |
| Type: Bradenhead | # 1 | | |
| Comment: | No form of pressure monitoring equipment located on bradenhead, bradenhead valve is accessible. | | |
| Corrective Action: | | Date: | |

Tanks and Berms:

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|---|----------|-----------|---------|--------|
| CONDENSATE | 1 | OTHER | STEEL AST | | , |
| Comment: | | | | | |
| Corrective Action: | | | | | Date: |

Paint

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

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|--------------------|--|---------------------|---------------------|-------------|
| Metal | Inadequate | Walls Insufficient | | Inadequate |
| Comment: | Hole is secondary containment liner/liner needs maintenance | | | |
| Corrective Action: | The liner will be sufficiently impervious so that any discharge from a primary containment system will not escape containment before cleanup occurs. | | | Date: |

Venting:

| | | |
|----------|----|--|
| Yes/No | NO | |
| Comment: | | |

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

| Inspected Facilities | | | | | | | | | |
|--|--------|-------|------|-------------|-----------|---------|----|---------------|----|
| Facility ID: | 210241 | Type: | WELL | API Number: | 045-05206 | Status: | SI | Insp. Status: | SI |
| Idle Well | | | | | | | | | |
| Purpose: <input checked="" type="checkbox"/> Shut In <input type="checkbox"/> Temporarily Abandoned Reminder: _____ | | | | | | | | | |
| Comment: <div>Shut In</div> <div>Last produced June 2023</div> | | | | | | | | | |
| 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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|--|
| Gravel | | | | | | Sparse to none in visible areas |
| | | Culverts | | | | |
| | | Gravel | | | | Sparse in areas |
| Other | Fail | | | | | Erosion & transport of sediment off location |
| | | Ditches | | | | |
| Compaction | Fail | | | | | Lack of stabilization/compaction on location |
| | | Compaction | | | | |

Comment: 1. Erosion & transport of sediment off location (N/NW area of location)

2. Lack of stabilization/compaction on location

Limited stormwater inspection due to snow

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: 12/13/2023

Pits: ☒ NO SURFACE INDICATION OF PIT**COGCC Comments**

| Comment | User | Date |
|---|----------|------------|
| Please refer to Signs/Marker, Equipment, Tanks & Berms & Stormwater for observed compliance issues. | smelserw | 11/28/2023 |

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

| Document Num | Description | URL |
|--------------|---|---|
| 403608745 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6337093 |
| 708902361 | Inspection 708902360 Stormwater photo log | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6337086 |
| 708902362 | Inspection 708902360 photo log | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6337087 |