

**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:

09/22/2023

Document Number:

708901744

FIELD INSPECTION FORMLoc ID 335234 Inspector Name: Smelser, Wayne On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**

OGCC Operator Number: 10550

Name of Operator: MUSTANG RESOURCES LLC

Address: 1660 LINCOLN STREET SUITE 1450

City: DENVER State: CO Zip: 80264

Status Summary:

- ☐ THIS IS A FOLLOW UP INSPECTION
- ☒ FOLLOW UP INSPECTION REQUIRED
- ☐ NO FOLLOW UP INSPECTION REQUIRED

Findings:

20 Number of Comments

6 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
210799	WELL	PR	08/01/2021	CBM	045-06557	MEAD 24-14MV-6S-94W	PR
210812	WELL	PR	12/01/2016	GW	045-06570	MEAD 24-14W-6S-94W	PR

General Comment:**CECMC Inspection Report Summary**

On 09/22/2023 at approximately 12:01 hours, I, Compliance Specialist, Wayne Smelser

Conducted an on-site inspection at MUSTANG RESOURCES LLC Mead 24-14 Pad.

Location # 335234 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 333 yards from Beaver Creek.

While there, I observed normal production operations.

During this inspection the following compliance issues were observed:

1. Equipment - Multiple gas leaks on separator with a CA date of 09/23/2023
2. Equipment - Swedge & flowline on production tank leaking fluid with a CA date of 09/23/2023.
3. Signs/Marker - Produced water tanks not properly labeled, both missing required information with a CA date of 10/22/2023.
4. Equipment - Open ended load lines with a CA date of 09/29/2023
5. Tanks & Berms - Secondary containment not sufficient to contain spilled or released materials with a CA date of 10/22/2023
6. Housekeeping - Stained soils & gravel inside tank battery secondary containment with a CA date of 10/02/2023

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	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:	Produced water tanks not properly labeled, both are 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. Operators emergency contact telephone number; C. Tank capacity; D. Tank contents; and E. NFPA label or equivalent globally harmonized label.		Date: 10/22/2023
Emergency Contact Number:			
Comment:	911/888-291-8588		
Corrective Action:			Date: _____
Good Housekeeping:			
Type	OTHER		
Comment:	Stained soils & gravel inside tank battery secondary containment		
Corrective Action:	Remove and properly dispose of all stained soils and gravel.		Date: 10/02/2023
Overall Good: <input type="checkbox"/>			
Spills:			
Type	Area	Volume	
In Containment: No			
Comment:			
<input type="checkbox"/> Multiple Spills and Releases?			
Equipment:			
Type: Gas Meter Run	# 2		corrective date
Comment:			

Corrective Action:		Date:	
Type: Deadman # & Marked	# 6		
Comment:	Marked		
Corrective Action:		Date:	
Type: Bird Protectors	# 1		
Comment:			
Corrective Action:		Date:	
Type: Plunger Lift	# 1		
Comment:	MEAD 24-14MV-6S-94W well on plunger lift MEAD 24-14W-6S-94W well is not on plunger lift		
Corrective Action:		Date:	
Type: Other	# 1		
Comment:	At approximately 12:05 hours I opened the MEAD 24-14MV-6S-94W separator door to check calibration info & my gas meter immediately went off. Regulators in separator were leaking, HiLo & supply gas had been disconnected from the A valve & a stainless fitting had been jammed in it to keep it open & the separator unit was over pressuring & couldn't shut in. The PRV for the scrubber was also leaking gas.		
Corrective Action:	Securely fasten all valves, pipes, fittings, and Production Facilities to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 608.e.	Date:	09/23/2023
Type: Other	# 2		
Comment:	Open ended load lines		
Corrective Action:	All load lines will be capped or plugged	Date:	09/29/2023
Type: Other	# 1		
Comment:	At approximately 12:27 hours I observed swedge on 210 bbl produced water tank leaking & a hole in the 2 inch flowline connected to the tank also leaking fluid, fluid was leaking onto the ground inside secondary containment. Pumper was on location & I let him know what I observed.		
Corrective Action:	Securely fasten all valves, pipes, fittings, and Production Facilities to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 608.e.	Date:	09/23/2023
Type: Bradenhead	# 2		
Comment:	No form of pressure monitoring equipment located on bradenheads. All bradenhead valves are accessible.		
Corrective Action:		Date:	
Type: Horizontal Heated Separator	# 1		
Comment:			
Corrective Action:		Date:	

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	1	<100 BBLS	STEEL AST		
Comment:	Centralized containment				
Corrective Action:					Date:

Paint

Condition	Adequate
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Other (Content)	
Other (Capacity) 90 bbl	
Other (Type)	

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Earth					
Comment:					
Corrective Action:				Date:	
Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	1	OTHER	STEEL AST		,
Comment:	Centralized containment				
Corrective Action:				Date:	

Paint

Condition	Adequate	
Other (Content)		
Other (Capacity) 210 bbl		
Other (Type)		

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Inadequate			Inadequate
Comment:	Secondary containment not sufficient to contain spilled or released materials/containment capacity not 110% of 210 bbl tank.			
Corrective Action:	Repair or install berms or other secondary containment devices.			Date: 10/22/2023

Venting:

Yes/No	NO	
Comment:		
Corrective Action:		Date:

Flaring:

Type	
Comment:	
Corrective Action:	Date:

Inspected Facilities									
Facility ID:	210799	Type:	WELL	API Number:	045-06557	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift								
Corrective Action:						Date:			
Facility ID:	210812	Type:	WELL	API Number:	045-06570	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
Compaction						Areas of light compaction
Gravel						Sparse in some areas
		Gravel				
		Compaction				

Comment: Location appears to have some gravel throughout the location with light compaction. Places with sparse to no gravel are present on location. Sparse gravel and light compaction could lead to future stabilization and tracking issues.

Corrective Action:

Date: _____

Pits: ☒ NO SURFACE INDICATION OF PIT

COGCC Comments

Comment	User	Date
<p>Please refer to Signs/Marker, Housekeeping, Equipment & Tanks & Berms for observed compliance issues.</p> <p>At approximately 12:05 hours I opened the MEAD 24-14MV-6S-94W separator door to check calibration info & my gas meter immediately went off on high gas alert & gas sensor over limit alert. Gas regulators in separator were leaking, HiLo & supply gas had been disconnected from the A valve & a stainless fitting had been jammed in it to keep it open & the separator unit was over pressuring & couldn't shut in. I had no cell service so I went back to the previous Mustang pad I had just inspected & let the Mustang pumper (Doug Wagoner) know about the leaks & went back to this location to complete my inspection.</p> <p>Pumper arrived on location at approximately 12:18 hours, at this point we both observed the PRV for the scrubber was also leaking gas. At approximately 12:27 hours I observed swedge on 210 bbl produced water tank leaking fluid & a hole in the 2 inch flowline connected to the tank also leaking fluid, fluid was leaking onto the ground inside secondary containment. I let the pumper know what I had found & that I was issuing a 24 hour corrective action on the separator gas leaks as well as the leaks observed coming from the swedge & tank flowline.</p> <p>I finished my inspection & left location to get cell service to call Mustang emergency contact # & inform them as well. Called Mustang at approximately 12:54 pm & dispatcher ended up patching me through to the pumper I had previously spoken to. He said that he had just went ahead & shut the well in until he could get parts to fix everything.</p>	smelserw	09/22/2023

Attached Documents

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

Document Num	Description	URL
403539175	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6261567
708901745	Inspection 708901744 Stormwater photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6261565
708901746	Inspection 708901744 photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6261566