

FORM  
INSPRev  
X/20State of Colorado  
Oil and Gas Conservation Commission1120 Lincoln Street, Suite 801, Denver, Colorado 80203  
Phone: (303) 894-2100 Fax: (303) 894-2109

Inspection Date:

10/31/2022

Submitted Date:

11/03/2022

Document Number:

702800879

## FIELD INSPECTION FORM

 Loc ID 313236 Inspector Name: O'Malley, Anna 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: 3975  
 Name of Operator: ARGALI EXPLORATION COMPANY  
 Address: PO BOX 416  
 City: RANGELY State: CO Zip: 81648
**Findings:**

- 15 Number of Comments
- 7 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                         |
|---------------|-------|------------------------------------|---------------------------------|
| Jeffrey, Carl |       | jbrduco@yahoo.com                  | <a href="#">All Inspections</a> |
| ,             |       | argaliexplorationcompany@gmail.com | <a href="#">General Contact</a> |

**Inspected Facilities:**

| Facility ID | Type     | Status | Status Date | Well Class | API Num   | Facility Name        | Insp Status |
|-------------|----------|--------|-------------|------------|-----------|----------------------|-------------|
| 279200      | WELL     | PR     | 08/17/2007  | GW         | 081-07240 | FEDERAL 9-1-8-91     | RI          |
| 313236      | LOCATION | AC     |             |            | -         | FEDERAL-68N91W 1NESE | RI          |

**General Comment:**

On 10/31/2022, Reclamation Specialist O'Malley conducted a reclamation and stormwater inspection at Argali Exploration Company's [FEDERAL-68N91W/1NESE Location #313236](#) in Moffat County, Colorado.

The following compliance issues were observed during this inspection:

- Methanol tank label missing/insufficient/inaccurate
- Wellhead sign missing/insufficient
- Tank battery sign missing/insufficient
- Trash/debris
- Noxious weeds
- Wildlife protections on methanol tank secondary containment missing/insufficient
- Unused tank

Refer to the "Location," "Reclamation" and "Stormwater" sections of this inspection report for additional details.

Refer to the photo-documentation of the observed compliance issues attached to this report.

Any corrective action(s) from previous inspections that have not been addressed are still applicable.

A follow up inspection on this site will be conducted to ensure the compliance issues have been corrected to comply with COGCC rules.

| <b>Location</b>  |   |          |      |         |                         |                 |
|--|---|----------|------|---------|-------------------------|-----------------|
| Overall Good: <input type="checkbox"/>   |   |          |      |         |                         |                 |
| <b>Signs/Marker:</b>   |   |          |      |         |                         |                 |
| Type   | TANK LABELS/PLACARDS  |          |      |         |                         |                 |
| Comment:   | Labeling information, including safety information, contents, capacity, NFPA, etc. observed to be faded and illegible on the methanol tank at the west of the Location. Contact numbers on the tank are outdated. |          |      |         |                         |                 |
| Corrective Action:   | Comply with 605 Rules.  |          |      |         | Date: <u>01/02/2023</u> |                 |
| Type   | WELLHEAD  |          |      |         |                         |                 |
| Comment:   | Sign not posted or information inaccurate at well.  |          |      |         |                         |                 |
| Corrective Action:   | Install sign to comply with Rule 605.d.   |          |      |         | Date: <u>01/02/2023</u> |                 |
| Type   | BATTERY   |          |      |         |                         |                 |
| Comment:   | Sign not posted or information inaccurate at battery.   |          |      |         |                         |                 |
| Corrective Action:   | Install sign to comply with Rule 605.e.   |          |      |         | Date: <u>12/03/2022</u> |                 |
| <b>Emergency Contact Number:</b>   |   |          |      |         |                         |                 |
| Comment:   | <input type="text" value="970-629-1906"/>   |          |      |         | Date: _____             |                 |
| Corrective Action:   | <input type="text"/>  |          |      |         | Date: _____             |                 |
| <b>Good Housekeeping:</b>  |   |          |      |         |                         |                 |
| Type   | TRASH   |          |      |         |                         |                 |
| Comment:   | Trash/debris was observed next to the tank battery. A guy line anchor marker is now trash/debris. Refer to attached photos.   |          |      |         |                         |                 |
| Corrective Action:   | Comply with Rule 606.   |          |      |         | Date: <u>11/10/2022</u> |                 |
| Type   | WEEDS   |          |      |         |                         |                 |
| Comment:   | Bull thistle (List B Noxious Weed) was found throughout the Location. Weed management is required in the 2023 growing season. Ongoing weed management is required.  |          |      |         |                         |                 |
| Corrective Action:   | Conduct weed management to prevent further establishment and spread of noxiousweeds; ongoing weed management required until location passes final reclamation.  |          |      |         | Date: <u>05/01/2023</u> |                 |
| Overall Good: <input type="checkbox"/>   |   |          |      |         |                         |                 |
| <b>Spills:</b>   |   |          |      |         |                         |                 |
| Type   | Area  | Volume   |      |         |                         |                 |
| In Containment: No   |   |          |      |         |                         |                 |
| Comment: <input type="text"/>  |   |          |      |         |                         |                 |
| <input type="checkbox"/> Multiple Spills and Releases?   |   |          |      |         |                         |                 |
| <b>Equipment:</b>  |   |          |      |         |                         |                 |
| Type: Other  |   |          |      |         | #                       | corrective date |
| Comment: Wildlife protection devices are missing or insufficient to prevent wildlife from entering the methanol tank secondary containment device. |   |          |      |         |                         |                 |
| Corrective Action: Install or repair wildlife protection equipment.  |   |          |      |         | Date: <u>11/08/2022</u> |                 |
| <b>Tanks and Berms:</b>  |   |          |      |         |                         |                 |
| Contents   | #   | Capacity | Type | Tank ID | SE GPS                  |                 |
| PRODUCED WATER   |   |          |      |         |                         |                 |

**Comment:** Previous inspection #689806408 observed holes in produced water tank. Inspector required Operator to Comply with Rule 606 by 10/11/2021.

It was observed in this inspection that the previously observed produced water tank has been removed from the tank battery and placed on the pad surface at the southeast of the Location. Unused equipment has not been removed. Original corrective action and date remain applicable.

**Corrective Action:** Comply with Rule 606. **Date:** 10/11/2021

**Paint**

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

**Berms**

| Type                      | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance  |
|---------------------------|----------|---------------------|---------------------|--------------|
|                           |          |                     |                     |              |
| <b>Comment:</b>           |          |                     |                     |              |
| <b>Corrective Action:</b> |          |                     |                     | <b>Date:</b> |

**Venting:**

|                           |  |              |
|---------------------------|--|--------------|
| Yes/No                    |  |              |
| <b>Comment:</b>           |  |              |
| <b>Corrective Action:</b> |  | <b>Date:</b> |

**Flaring:**

|                           |              |
|---------------------------|--------------|
| Type                      |              |
| <b>Comment:</b>           |              |
| <b>Corrective Action:</b> | <b>Date:</b> |

**Inspected Facilities**

Facility ID: 279200 Type: WELL API Number: 081-07240 Status: PR Insp. Status: RI

Facility ID: 313236 Type: LOCATION API Number: - Status: AC Insp. Status: RI

**Reclamation - Storm Water - Pit**

**Interim Reclamation:**

Date Interim Reclamation Started: \_\_\_\_\_ Date Interim Reclamation Completed: \_\_\_\_\_

Land Use: \_\_\_\_\_

Comment: \_\_\_\_\_

**1002 SITE PREPARATION AND STABILIZATION**

1002a. FENCING \_\_\_\_\_

Comment \_\_\_\_\_

Corrective Action \_\_\_\_\_

Date \_\_\_\_\_

1002b. SOIL REMOVAL AND SEGREGATION \_\_\_\_\_

Comment \_\_\_\_\_

Corrective Action \_\_\_\_\_

Date \_\_\_\_\_

1002c. PROTECTION OF SOILS \_\_\_\_\_

Comment \_\_\_\_\_

Corrective Action \_\_\_\_\_

Date \_\_\_\_\_

1002E. SURFACE DISTURBANCE MINIMIZATION \_\_\_\_\_

Comment \_\_\_\_\_

Corrective Action \_\_\_\_\_

Date \_\_\_\_\_

1003a. Waste and Debris removed? \_\_\_\_\_

Comment [Waste and debris present. Refer to the "Location" section.](#)

Corrective Action \_\_\_\_\_

Date \_\_\_\_\_

Unused or unneeded equipment onsite? \_\_\_\_\_

Comment [Unused equipment present. Refer to the "Location" section.](#)

Corrective Action \_\_\_\_\_

Date \_\_\_\_\_

Pit, cellars, rat holes and other bores closed? Pass

Comment \_\_\_\_\_

Corrective Action \_\_\_\_\_

Date \_\_\_\_\_

Guy line anchors marked? Pass

Comment \_\_\_\_\_

Corrective Action \_\_\_\_\_

Date \_\_\_\_\_

1003b. Area no longer in use? Pass Production areas stabilized ? Pass  
 1003c. Compacted areas have been cross ripped? \_\_\_\_\_  
 1003d. Drilling pit closed? \_\_\_\_\_ Subsidence over on drill pit? \_\_\_\_\_  
 Cuttings management: \_\_\_\_\_  
 1003e. Areas no longer needed for drilling or subsequent operations for have been re-vegetated to 80% of pre-existing? In  
 Production areas have been stabilized? Pass Segregated soils have been replaced? \_\_\_\_\_

RESTORATION AND REVEGETATION

Cropland

Top soil replaced \_\_\_\_\_ Recontoured \_\_\_\_\_ Perennial forage re-established \_\_\_\_\_

Non-Cropland

Top soil replaced \_\_\_\_\_ Recontoured Pass 80% Revegetation In

1003e. INTERIM VEGETATION TRANSECT  
 TRANSECT RESULTS OF DISTURBED AREA% \_\_\_\_\_  
 TRANSECT RESULTS OF REFERENCE AREA% \_\_\_\_\_  
 TOTAL % OF DESIRABLE VEGETATION COVER \_\_\_\_\_  
 VEGETATIVE COVER \_\_\_\_\_

1003 f. Weeds Noxious weeds? F

Comment Refer to the "Location" section of this inspection report for weed control corrective action.  
 Areas no longer in use/not needed for production operations have been reduced and reclaimed. Interim areas are vegetated with introduced and native perennial grasses (smooth brome, crested, intermediate and western wheatgrass).

Corrective Action  Date \_\_\_\_\_

Overall Interim Reclamation In Process

**Final Reclamation/ Abandoned Location:**

Date Final Reclamation Started: \_\_\_\_\_ Date Final Reclamation Completed: \_\_\_\_\_

Final Land Use: \_\_\_\_\_

Reminder: \_\_\_\_\_

Comment:

Well plugged \_\_\_\_\_ Pit mouse/rat holes, cellars backfilled \_\_\_\_\_

Debris removed \_\_\_\_\_ No disturbance /Location never built \_\_\_\_\_

Access Roads Regraded \_\_\_\_\_ Contoured \_\_\_\_\_ Culverts removed \_\_\_\_\_

Gravel removed \_\_\_\_\_

Location and associated production facilities reclaimed \_\_\_\_\_ Locations, facilities, roads, recontoured \_\_\_\_\_

Compaction alleviation \_\_\_\_\_ Dust and erosion control \_\_\_\_\_

Non cropland: Revegetated 80% \_\_\_\_\_ Cropland: perennial forage \_\_\_\_\_

Weeds present \_\_\_\_\_ Subsidence \_\_\_\_\_

1004.d. FINAL VEGETATION TRANSECT  
 TRANSECT RESULTS OF DISTURBED AREA% \_\_\_\_\_  
 TRANSECT RESULTS OF REFERENCE AREA% \_\_\_\_\_  
 TOTAL % OF DESIRABLE VEGETATION COVER \_\_\_\_\_  
 VEGETATIVE COVER \_\_\_\_\_

Comment:

|  |  |                         |                       |               |                          |             |
|--|--|-------------------------|-----------------------|---------------|--------------------------|-------------|
| Corrective Action: <input style="width: 95%;" type="text"/>  | Date: _____  |                         |                       |               |                          |             |
| Overall Final Reclamation <input type="checkbox"/>   | Well Release on Active Location <input type="checkbox"/> |                         |                       |               |                          |             |
| Multi-Well Location <input type="checkbox"/>   |  |                         |                       |               |                          |             |
| <b>Storm Water:</b>  |  |                         |                       |               |                          |             |
| Loc Erosion BMPs   | BMP Maintenance  | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment     |
|  |  |                         |                       |               |                          |             |
| Comment: <input style="width: 95%;" type="text" value="At the time of this inspection no stormwater issues were observed."/> |  |                         |                       |               |                          |             |
| Corrective Action: <input style="width: 95%;" type="text"/>  |  |                         |                       |               |                          | Date: _____ |
| <b>Pits:</b> <input checked="" type="checkbox"/> NO SURFACE INDICATION OF PIT  |  |                         |                       |               |                          |             |

**Attached Documents**

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

| Document Num | Description       | URL   |
|--------------|-------------------|---|
| 702800880    | Inspection Photos | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5905423">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5905423</a> |