

**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:

10/31/2022

Submitted Date:

11/03/2022

Document Number:

702800881**FIELD INSPECTION FORM**Loc ID 313043 Inspector Name: O'Malley, Anna On-Site Inspection ☐ 2A Doc Num: \_\_\_\_\_**Operator Information:**OGCC Operator Number: 3975Name of Operator: ARGALI EXPLORATION COMPANYAddress: PO BOX 416City: RANGELY State: CO Zip: 81648**Status Summary:**

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

**Findings:**14 Number of Comments6 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                         |
|---------------|-------|--|---------------------------------|
| Neidel, Kris  |       | kris.neidel@state.co.us                |                                 |
| Jeffrey, Carl |       | jbrduco@yahoo.com                      | <a href="#">All Inspections</a> |
| ,             |       | argaliexplorationcompany@g<br>mail.com | <a href="#">General Contact</a> |
| Fischer, Alex |       | alex.fischer@state.co.us               |                                 |

**Inspected Facilities:**

| Facility ID | Type     | Status | Status Date | Well Class | API Num   | Facility Name     | Insp Status |
|-------------|----------|--------|-------------|------------|-----------|-------------------|-------------|
| 223432      | WELL     | PR     | 09/01/2018  | GW         | 081-06798 | OKES 5-6          | RI          |
| 313043      | LOCATION | AC     |             |            | -         | OKES-68N90W 6SWNW | RI          |

**General Comment:**

On 10/31/2022, Reclamation Specialist O'Malley conducted a reclamation and stormwater inspection at Argali Exploration Company's OKES-68N90W/6SWNW Location #313043 in Moffat County, Colorado.

The following compliance issues were observed during this inspection:

- Methanol tank label missing/insufficient
- Wellhead sign missing/insufficient
- Noxious weeds
- Unused pipe equipment
- Wildlife protections on methanol tank secondary containment missing/insufficient
- Decommissioning of facilities without Form 27 Site Investigation and Remediation Workplan

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.

**Location**Overall Good: ☐**Signs/Marker:**

|                    |   |       |            |
|--------------------|---|-------|------------|
| 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 northeast of the Location.  |       |            |
| Corrective Action: | Comply with 605 Rules.  | Date: | 01/02/2023 |
| Type               | WELLHEAD  |       |            |
| Comment:           | Wellhead sign must comply with Rule 605.d(2) when no associated tank battery is present at the Oil and Gas Location.<br><br>It was observed in this inspection that the wellhead sign does not comply with Rule 605; well sign lacks the API number, telephone number at which the Operator can be reached at all times, telephone number for local emergency services (911 where available) and the public road used to access the well. |       |            |
| Corrective Action: | Install sign to comply with Rule 605.d.   | Date: | 12/15/2022 |

**Emergency Contact Number:**

|                    |                                |       |  |
|--------------------|--------------------------------|-------|--|
| Comment:           | (970) 629-1906, (970) 629-2614 |       |  |
| Corrective Action: |                                | Date: |  |

**Good Housekeeping:**

|                    |  |       |            |
|--------------------|--|-------|------------|
| Type               | WEEDS  |       |            |
| Comment:           | Bull and Canada thistle (List B Noxious Weeds) were found occasionally 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 noxious weeds; ongoing weed management required until location passes final reclamation.                              | Date: | 05/01/2023 |

Overall Good: ☐**Spills:**

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

In Containment: No

Comment: Previous inspections observed evidence of a produced water spill. It does not appear that corrective actions have been addressed. Corrective actions from document #s 689805922, 689804326 and 689802727 remain applicable.

☐ Multiple Spills and Releases?**Equipment:**

|                    |  |       |                 |
|--------------------|--|-------|-----------------|
| Type: Other        | #  |       | corrective date |
| Comment:           | Pipe at the northwest of the Location, at the produced water tank facility remains. Pipe is now unused equipment and must be removed per Rule 606. |       |                 |
| Corrective Action: | Comply with Rule 606. Remove pipe.   | Date: | 11/18/2022      |
| Type: Other        | #  |       |                 |
| 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: | 11/08/2022      |

**Venting:**

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

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

| Inspected Facilities |                |                       |            |                  |
|----------------------|----------------|-----------------------|------------|------------------|
| Facility ID: 223432  | Type: WELL     | API Number: 081-06798 | Status: PR | Insp. Status: RI |
|                      |                |                       |            |                  |
| Facility ID: 313043  | Type: LOCATION | API Number: -         | Status: AC | Insp. Status: RI |
|                      |                |                       |            |                  |

**Environmental****Spill/Remediation:**

Comment: It was observed in this inspection that the Operator appears to have decommissioned two facilities on the Location. A partially buried produced water vessel, at the southeast of the Location has been removed. A produced water tank facility at the northwest of the Location has been removed. Per Rule 911.a Operator must close all Oil and Gas Facilities in accordance with an approved Form 27.

Operator must contact Northwest Area Environmental Protection Specialist for Form 27 direction within 10 days. Operator must submit a Form 27 within 30 days.

Corrective Action:

Corrective Action #1: Contact Northwest Area EPS for Form 27 direction by 11/13/2022.

Date: 11/13/2022

Corrective Action #2: Submit a Form 27 Site Investigation and Remediation Workplan by 12/3/2022.

Emission Control Burner (ECB): \_\_\_\_\_

Comment:

Pilot: \_\_\_\_\_

Wildlife Protection Devices (fired vessels): \_\_\_\_\_

**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? Pass

Comment \_\_\_\_\_

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

Date \_\_\_\_\_

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

Comment \_\_\_\_\_

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

Date \_\_\_\_\_

Guy line anchors marked? \_\_\_\_\_

Comment [No anchors markers observed. If present, anchors are unmarked.](#)

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

Date \_\_\_\_\_

1003b. Area no longer in use? \_\_\_\_\_ 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? InProduction areas have been stabilized? Pass Segregated soils have been replaced? \_\_\_\_\_**RESTORATION AND REVEGETATION**Cropland

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

Non-CroplandTop 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? FComment Refer to the "Location" section of this inspection report for weed control corrective action.

It was observed in this inspection that two facilities have been decommissioned at the northwest and southeast of the Location. Areas no longer necessary for production operations at the northwest and southeast are subject to 1003 Interim Reclamation requirements. Prior to conducting Interim Reclamation Operator must demonstrate compliance with 915-1 standards. Refer to the "Environmental" section of this report. Upon compliance with 915-1 standards interim reclamation is required.

Previously reclaimed areas are vegetated with introduced perennial grasses (intermediate wheatgrass).

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

Overall Interim Reclamation

**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: \_\_\_\_\_

Date \_\_\_\_\_

Overall Final Reclamation

Well Release on Active Location ☐Multi-Well Location ☐**Storm Water:**

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
|                  |                 |                         |                       |               |                          |         |

Comment: [At the time of this inspection no stormwater issues were observed.](#)

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

Date: \_\_\_\_\_

**Pits:** ☒ 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   |
|--------------|-------------------|---|
| 702800882    | Inspection Photos | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5905424">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5905424</a> |