

**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:

03/09/2023

Submitted Date:

03/10/2023

Document Number:

702500989

FIELD INSPECTION FORMLoc ID 315117 Inspector Name: Burchett, Kirby On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**

OGCC Operator Number: 10779

Name of Operator: SCOUT ENERGY MANAGEMENT LLC

Address: 13800 MONTFORT DRIVE SUITE 100

City: DALLAS State: TX Zip: 75240

Status Summary:☐ THIS IS A FOLLOW UP INSPECTION☒ FOLLOW UP INSPECTION REQUIRED☐ NO FOLLOW UP INSPECTION REQUIRED**Findings:**

11 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 |
|---------------------|----------------|-------------------------------|---------|
| Regulatory, Rangely | | RangelyRegulatory@scoutep.com | |
| Patterson, Chris | | Chris.Patterson@scoutep.com | |
| Kellerby, Shaun | (970) 712-1248 | shaun.kellerby@state.co.us | |
| Sanford, Anita | (970) 551-8313 | Anita.Sanford@scoutep.com | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|---------------|-------------|
| 230282 | WELL | SI | 06/01/2021 | OW | 103-07942 | FEDERAL 12-6 | SI |

General Comment:**COGCC Inspection Report Summary**

On Thursday, 03/09/2023, Inspector Kirby Burchett, conducted a routine field inspection at Scout Energy Management LLC on the Federal 12-6, Location #315117, in Rio Blanco County, Colorado.

This location is within or in close proximity to a Parks and Wildlife (CPW) District with High Priority, NSO, and Density Habitat regulations.

Any Corrective Actions from previous Inspections are still applicable.

While there, observing normal operations the following compliance issues were found:

1. Well signs need updated.
 2. Chemical tank label faded and illegible.
 3. Unused equipment on location.
- Refer to attached photograph for Corrective Action.

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

LocationOverall Good: ☐

| | | | |
|----------------------|--|--|------------------|
| Signs/Marker: | | | |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | Faded labels on chemical tank. NFPA diamond is illegible | | |
| Corrective Action: | Containers that are used to store, treat, or otherwise handle a hazardous material and which are required to be marked, placarded, or labeled in accordance with the U.S. Department of Transportation's Hazardous Materials Regulations, will retain the markings, placards, and labels on the Container. Such markings, placards, and labels will be retained on the Container until it is sufficiently cleaned of residue and purged of vapors to remove any potential hazards. | | Date: 05/15/2023 |
| Type | WELLHEAD | | |
| Comment: | Well signs still identify Whiting Oil and Gas as the operator. Telephone number of current operator not displayed. Transfer of ownership was 7/15/22. | | |
| Corrective Action: | When no associated Tank battery is present at the Oil and Gas Location, the following additional information is required on the Well sign: Name of the Operator; 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. | | Date: 04/10/2023 |

Emergency Contact Number:

Comment: 911 is the only valid number displayed.
Corrective Action addressed under Signs/Marker: Wellhead

Corrective Action: _____ Date: _____

Good Housekeeping:

| | | | |
|--------------------|---|--|------------------|
| Type | UNUSED EQUIPMENT | | |
| Comment: | Metal guard laying beside pumping unit | | |
| Corrective Action: | The storage, placement, or maintenance of equipment, vehicles, trailers, commercial products, chemicals, drums, totes, containers, materials, and all other supplies not necessary for use on an Oil and Gas Locations is prohibited. | | Date: 03/20/2023 |

Overall Good: ☐**Spills:**

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

In Containment: No

Comment: _____

☐ Multiple Spills and Releases?**Fencing/:**

| | | | |
|--------------------|------------------|--|-------|
| Type | PUMP JACK | | |
| Comment: | Welded wire mesh | | |
| Corrective Action: | | | Date: |
| Type | WELLHEAD | | |
| Comment: | Square tubing | | |
| Corrective Action: | | | Date: |

Equipment:

| | | | |
|--------------------------|---|--|-----------------|
| Type: Bradenhead | # 1 | | corrective date |
| Comment: | Valves are accessible. Gauge installed. | | |
| Corrective Action: | | | Date: |
| Type: Deadman # & Marked | # 4 | | |

| | | | |
|---------------------------|--------------------------------------|-------|--|
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Pump Jack | # 1 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Ancillary equipment | # 1 | | |
| Comment: | Chemical tank on plastic containment | | |
| Corrective Action: | | Date: | |

Venting:

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

Flaring:

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

Inspected FacilitiesFacility ID: 230282 Type: WELL API Number: 103-07942 Status: SI Insp. Status: SI**Idle Well**Purpose: ☒ Shut In ☐ Temporarily Abandoned

Reminder: _____

Comment: [Rod pump.](#)
[Last Production - May 2021](#)
[Last Report - June 2022](#)

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 |
|------------------|-----------------|-------------------------|-----------------------|--|--------------------------|---------|
| | | Ditches | | | | |
| Gravel | | | | | | |
| Ditches | | | | | | |
| Berms | | | | | | |
| | | Culverts | | | | |
| | | | | Material Handling And Spill Prevention | | |

Comment: Limited Stormwater inspection due to location being covered with snow.
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.
Oil and gas operators shall implement and maintain vehicle tracking Best Management Practices (BMPs) to control potential sediment discharges from operational roads, well pads, and other unpaved surfaces.

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 |
|--------------|-------------------|---|
| 702500991 | Inspection Photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6046740 |