

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:

03/07/2023

Submitted Date:

03/08/2023

Document Number:

702801334

FIELD INSPECTION FORM

 Loc ID 335538 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

Findings:

- 10 Number of Comments
 5 Number of Corrective Actions
 Corrective Action Response Requested

**ANY CORRECTIVE ACTION(S) FROM
 PREVIOUS INSPECTIONS THAT HAVE NOT
 BEEN ADDRESSED ARE STILL APPLICABLE**

Operator Information:
 OGCC Operator Number: 96850
 Name of Operator: TEP ROCKY MOUNTAIN LLC
 Address: 1058 COUNTY ROAD 215
 City: PARACHUTE State: CO Zip: 81635
Contact Information:

| Contact Name | Phone | Email | Comment |
|--------------|-------|------------------------------------|---------------------------------|
| , TEP | | COGCCInspectionReports@terraep.com | All Inspections |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|--------------|--------|-------------|------------|-----------|-------------------------------|-------------|
| 159298 | UIC DISPOSAL | AC | 07/02/2009 | | - | VALLEY FRMS F4 WATER DISPOSAL | RI |
| 291065 | WELL | PR | 12/01/2022 | GW | 045-14284 | VALLEY FARMS F2 | RI |
| 291066 | WELL | PR | 12/01/2022 | GW | 045-14285 | VALLEY FARMS F3 | RI |
| 291067 | WELL | PR | 11/01/2022 | GW | 045-14286 | VALLEY FARMS F5 | RI |
| 291070 | WELL | SI | 12/01/2021 | DSPW | 045-14287 | VALLEY FARMS F4 | RI |
| 291072 | WELL | PR | 11/01/2022 | GW | 045-14289 | VALLEY FARMS F7 | RI |
| 291073 | WELL | PR | 11/01/2022 | GW | 045-14290 | VALLEY FARMS F1 | RI |
| 296414 | WELL | PR | 11/01/2022 | GW | 045-16011 | VALLEY FARMS F8 | RI |
| 296415 | WELL | PR | 07/11/2013 | GW | 045-16012 | VALLEY FARMS FEDERAL F14 | RI |
| 301818 | WELL | PR | 04/04/2013 | GW | 045-18286 | Valley Farms F-1H | RI |
| 335538 | LOCATION | AC | | | - | VALLEY FARMS F PAD | RI |

General Comment:

On 03/07/2023, Reclamation Specialist O'Malley conducted an interim reclamation and stormwater inspection at TEP Rocky Mountain LLC's Valley Farms F Pad Location #335538 in Garfield County, Colorado.

The following compliance issues were observed during this inspection:

- Storage of unused equipment
- Debris
- Potential gas leak at well 045-14284
- Stormwater: erosion of slopes, BMPs in disrepair, potential contamination of stormwater
- Interim Reclamation: vegetation not progressing towards 1003 standards

Refer to the "Location," "Inspected Facilities," "Reclamation," "Stormwater" and "COGCC Comments" 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:

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Good Housekeeping:

| | | | |
|--------------------|--|-------|------------|
| Type | STORAGE OF SUPL | | |
| Comment: | Unused equipment observed stored within the tank battery secondary containment device. | | |
| Corrective Action: | Comply with Rule 606. | Date: | 03/23/2023 |
| Type | DEBRIS | | |
| Comment: | Roof panels stored at the east of the location. Electrical equipment debris present in a puddle. | | |
| Corrective Action: | Comply with Rule 606. | Date: | 03/15/2023 |

Overall Good:

Spills:

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

In Containment: No

Comment:

Multiple Spills and Releases?

Venting:

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

Flaring:

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

| Inspected Facilities | | | | |
|----------------------|---|-------|-----------------|--|
| Facility ID: | <u>159298</u> | Type: | <u>UIC</u> | API Number: <u>-</u> Status: <u>AC</u> Insp. Status: <u>RI</u> |
| Facility ID: | <u>291065</u> | Type: | <u>WELL</u> | API Number: <u>045-14284</u> Status: <u>PR</u> Insp. Status: <u>RI</u> |
| Producing Well | | | | |
| Comment: | <p>It was observed that the well cellar was inundated with stormwater and gas was bubbling up in the water around well API# 045-14284 indicative of a potential leak. I immediately called Mike Gardner of TEP at 3:34 pm and sent him an email regarding the issue. Mr. Gardner informed me that the TEP production supervisor will get someone to site to take a look at it right away.</p> <p>Refer to the "Stormwater" section of this inspection report for corrective action regarding potential stormwater contamination due to this leak.</p> | | | |
| Corrective Action: | <p>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.</p> <p>24 hours to fix the leak or isolate leak.</p> | | | Date: <u>03/08/2023</u> |
| Facility ID: | <u>291066</u> | Type: | <u>WELL</u> | API Number: <u>045-14285</u> Status: <u>PR</u> Insp. Status: <u>RI</u> |
| Facility ID: | <u>291067</u> | Type: | <u>WELL</u> | API Number: <u>045-14286</u> Status: <u>PR</u> Insp. Status: <u>RI</u> |
| Facility ID: | <u>291070</u> | Type: | <u>WELL</u> | API Number: <u>045-14287</u> Status: <u>SI</u> Insp. Status: <u>RI</u> |
| Facility ID: | <u>291072</u> | Type: | <u>WELL</u> | API Number: <u>045-14289</u> Status: <u>PR</u> Insp. Status: <u>RI</u> |
| Facility ID: | <u>291073</u> | Type: | <u>WELL</u> | API Number: <u>045-14290</u> Status: <u>PR</u> Insp. Status: <u>RI</u> |
| Facility ID: | <u>296414</u> | Type: | <u>WELL</u> | API Number: <u>045-16011</u> Status: <u>PR</u> Insp. Status: <u>RI</u> |
| Facility ID: | <u>296415</u> | Type: | <u>WELL</u> | API Number: <u>045-16012</u> Status: <u>PR</u> Insp. Status: <u>RI</u> |
| Facility ID: | <u>301818</u> | Type: | <u>WELL</u> | API Number: <u>045-18286</u> Status: <u>PR</u> Insp. Status: <u>RI</u> |
| Facility ID: | <u>335538</u> | Type: | <u>LOCATION</u> | API Number: <u>-</u> Status: <u>AC</u> Insp. Status: <u>RI</u> |

Reclamation - Storm Water - Pit

Interim Reclamation:

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: OTHER, RANGELAND

Comment: _____

1002 SITE PREPARATION AND STABILIZATION

1002a. FENCING _____

Comment _____

Corrective Action _____

Date _____

1002b. SOIL REMOVAL AND _____

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/debris present to the east. See location section of this FIR for corrective action.](#)

Corrective Action _____

Date _____

Unused or unneeded equipment onsite? _____

Comment [Unused equipment in tank battery. See location section of this FIR for corrective action.](#)

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? _____
 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? Fail
 Production areas have been stabilized? _____ 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 _____

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? P

Comment Interim areas/slopes to the east of the location do not appear to be progressing towards 1003 standards. This portion of the location appears dominated by bare ground. Only annual weeds observed. Perennial establishment appears to have failed.
Interim areas to the north and west appear to be progressing towards 1003 standards; perennial grasses are evident beneath snow cover.
Russian olive (noxious) observed in previous inspections appears to have been removed. No FIRR received as required per Rule 210.b.

Corrective Action Comply with 1003 Rules.

Date 05/01/2023

Overall Interim Reclamation Fail

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____ Date Final Reclamation Completed: _____

Final Land Use: OTHER, RANGELAND

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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Waddles | | | | | | |
| Blankets | Fail | | | | | |

Comment: Refer to the "COGCC Comments" section of this inspection report for "Stormwater Comments".

Corrective Action: Install or repair required BMPs per Rule 1002.f. Continue to monitor and manage stormwater on the Location. Ongoing stormwater management is required until the site receives a passing final inspection.

Remove all free standing fluids from well 045-14284 cellar and dispose of at an approved facility per Rule 1002.f.

Date: 03/11/2023

Pits: NO SURFACE INDICATION OF PIT

COGCC Comments

| Comment | User | Date |
|--|----------|------------|
| <p>Stormwater Comments</p> <p>Comment 1: Well API # 045-14284 cellar observed to be inundated with stormwater. Due to the risk of stormwater contamination due to the potential leak (refer to the "producing well" section of this report) water must be removed from cellars.</p> <p>Comment 2: Insufficient stormwater and sediment control BMPs in place: - Rill erosion is evident on the cut slopes at the south of the location. Sediment observed to be accumulating at the base of the slope, evidence of the soil loss and degradation occurring to the slope. Erosion control blankets observed to be degraded and are no longer in proper functioning condition to protect the slope. - Eastern slopes of the location are bare and unprotected and subject to wind and water erosion degradation. Erosion control blanket installed on a portion of the slope is in disrepair. - BMPs not maintained in proper functioning condition to protect the site. BMPs employed are temporary control measures which require maintenance.</p> | omalleya | 03/08/2023 |

Attached Documents

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

| Document Num | Description | URL |
|--------------|----------------------|---|
| 403341202 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6044752 |
| 702801335 | Inspection Photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6044750 |