

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:

08/04/2023

Submitted Date:

08/10/2023

Document Number:

696205150

FIELD INSPECTION FORM

Loc ID 335647 Inspector Name: Trujillo, Aaron On-Site Inspection 2A Doc Num: _____

Operator Information:

OGCC Operator Number: 10433
Name of Operator: LARAMIE ENERGY LLC
Address: 1700 LINCOLN ST STE 3950
City: DENVER State: CO Zip: 80203

Status Summary:

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

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 |
|--------------|-------|---------------------------------------|-----------------|
| , Laramie | | cogccnotifications@laramie-energy.com | All Inspections |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|----------|--------|-------------|------------|---------|-------------------------------|-------------|
| 335647 | LOCATION | AC | | | - | Cascade Creek (CC) 0603-23-32 | CI |

General Comment:

On 8/4/2023, Reclamation Specialist Trujillo conducted a construction and stormwater inspection at Laramie Energy LLC's Cascade Creek (CC) 0603-23-32 location in Garfield County, Colorado.

This inspection is a follow-up to #696204265, #696204558 and #696205100 to document compliance with the following corrective actions:

- Stormwater
- Protection of Soils
- Soil Segregation
- Labels

It was observed in this inspection that the Location remains out of compliance with CECMC Rules and Corrective actions.

The following new compliance issues were observed during this inspection:

- Spill

Refer to the "Construction" and "Reclamation" 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: <input type="checkbox"/> | | | |
| Signs/Marker: | | | |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | <p>Previous inspection observed several 400 bbls tanks stored on the Location lack required labeling. Inspection required Operator to comply with Rule 605.h.</p> <p>It was observed in this inspection that the tanks have been removed from the Location; corrective action no longer applicable.</p> <p>Any future tanks/containers brought onto the Location shall comport with 605 requirements.</p> | | |
| Corrective Action: | | | Date: |
| Type | OTHER | | |
| Comment: | Location entrance w/ Permit information | | |
| Corrective Action: | | | Date: |
| Emergency Contact Number: | | | |
| Comment: | | | Date: _____ |
| Corrective Action: | | | |
| Overall Good: <input type="checkbox"/> | | | |
| Spills: | | | |
| Type | Area | Volume | |
| Other | | | |
| Comment: | <p>What appears to be cement waste associated with conductor installation operations was observed improperly disposed of on the eastern corner of the working pad surface.</p> | | |
| Corrective Action: | <p>Clean and remediate impacted soils to Table 915-1 cleanup concentrations. Comply with Rule 906 for management of non-E&P waste. Operator shall submit documentation of cleanup attached to a FIRR.</p> | | Date: <u>08/04/2023</u> |
| In Containment: No _____ | | | |
| Comment: | <p>Previous inspection observed Stained soils observed at base of tanks stored on the north end of the Location. Inspection required Operator to clean/remediate soils.</p> <p>Stained soils appear to have been removed. Corrective action appears to have been addressed.</p> | | |
| <input type="checkbox"/> Multiple Spills and Releases? | | | |
| Equipment: | | | |
| Type: | # | | corrective date |
| Comment: | Operator in process of installing conductors at time of inspection. | | |
| Corrective Action: | | | Date: |
| Venting: | | | |
| Yes/No | | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Flaring: | | | |
| Type | | | |
| Comment: | | | |
| Corrective Action: | | | Date: |

Location Construction

Location ID: 335647 CDP: _____

Comment:

Corrective Action:

Date: _____

Form 2A COAs:

Comment:

Corrective Action:

Date: _____

Wildlife BMPs:

Comment:

Corrective Action:

Date: _____

Stormwater:

| Erosion BMPs | Present | Other BMPs | Present |
|--------------|---------|------------|---------|
| SILT FENCES | | | |

Comments: Erosion BMPs: Previous inspection observed that silt fences along the topsoil stockpiles, and the fill slopes have not been maintained in proper functioning condition to manage runoff, and to ensure topsoil remains segregated.

It was observed in this inspection that silt fence have been removed; control measures to minimize erosion, degradation and sediment transport now missing from Location and topsoils tockpiles.

Other BMPs: Location remains out of compliance with stormwater management, and the corrective action and date to comply with Rule 1002.f will remain applicable.

Corrective Action: Comply with Rule 1002.f. Date: 12/27/202
2

| WADDLES | | | |
|---------|--|--|--|
| | | | |

Comments: Erosion BMPs: Previous inspections observed that Operator implemented a single row of erosion logs along the northern/eastern perimeter in such a manner that BMP is inadequate to manage runoff, minimize erosion and sediment transport from the Location; BMP exceeds 100 feet from the Location's disturbance along areas of the perimeter.

Other BMPs: It was observed in this inspection that erosion logs along the northern perimeter of the disturbance, and soil stockpiles remain missing or improperly implemented. This CA has not been addressed and remains applicable.

Corrective Action: Comply with 1002.f Date: 10/17/202
2

Comments: Erosion BMPs: It was observed in this inspection that Operator has installed a sediment trap at the toe of the fill slope, on the south end of the Location. Sediment trap has not been constructed in accordance with good engineering practices for the site's conditions.

Other BMPs: Control measure is inadequate in size (too small) to manage runoff from the 3.7 acre working pad surface; control has not been constructed with a properly engineered outlet- outlet lacks geotextile lining in conjunction with rip-rap material, and ~¾ of the spillway lacks any armoring

Corrective Action: Comply with Rule 1002.f; install or repair control measure in accordance with good engineering practices. Date: 08/04/202
3

Comments: Erosion BMPs: Per SWMP #402877702, Operator stated a two sediment traps connected with a drain pipe would be constructed on the south end of the Location. It was observed in this inspection that Operator has implemented two slope drains on the western working pad surface.

Other BMPs: It was observed that the slope drains have not been constructed in accordance with good engineering practices, or per SWMP #402877702; Slope drains have not been constructed with a sediment trap at the WPS; Slope drains have not been properly secured; Slope drains have not been constructed with a properly engineered and armored outlet.

Corrective Action: Comply with Rule 1002.f Date: 08/02/2023

Comment: It was observed in this inspection that stormwater and erosion control measures to manage runoff from the Location, as well as to minimize erosion, degradation and sediment transport have largely been removed from the Location, or have not been installed or maintained in accordance with good engineering practices. It is the ECMC's expectations that O&G Locations are in compliance with 1002.f rules at all times- Location will remain out of compliance until stormwater issues have been resolved.

Corrective Action: Date:

On Site Inspection (305):

Surface Owner Contact Information:

Name: Address: Phone Number: Cell Phone:

Operator Rep. Contact Information:

Landman Name: Phone Number: Date Onsite Request Received: Date of Rule 306 Consultation:

Request LGD Attendance:

LGD Contact Information:

Name: Phone Number: Agreed to Attend:

Summary of Landowner Issues:

Summary of Operator Response to Landowner Issues:

Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:

Inspected Facilities

Facility ID: 335647 Type: LOCATION API Number: - Status: AC Insp. Status: CI

Reclamation - Storm Water - Pit

Interim Reclamation:

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

Land Use: RANGELAND

Comment: _____

1002 SITE PREPARATION AND STABILIZATION

1002a. FENCING _____

Comment _____

Corrective Action _____

Date _____

1002b. SOIL REMOVAL AND SEGREGATION Fail

Comment [See "Comment #1" at the end of this report](#)

Corrective Action **Comply with Rule 1002.b.(2). Operator shall submit, attached a Form 4 Sundry notice, calculations showing the ammount of topsoil resource lost on the Location due to improper segregation activities.**

Date **07/14/2023**

1002c. PROTECTION OF SOILS Fail

Comment [See "Comment #1" at the end of this report](#)

Corrective Action **Comply with 1002.f and 1002.c**

Date **10/17/2022**

1002E. SURFACE DISTRURBANCE MINIMIZATION _____

Comment _____

Corrective Action _____

Date _____

1003a. Waste and Debris removed? _____

Comment _____

Corrective Action _____

Date _____

Unused or unneeded equipment onsite? _____

Comment _____

Corrective Action _____

Date _____

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

Comment _____

Corrective Action _____

Date _____

Guy line anchors marked? _____

Comment _____

Corrective Action _____

Date _____

1003b. Area no longer in use? _____ 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? _____
 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 _____ 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? _____

Comment _____

Corrective Action _____

Date _____

Overall Interim Reclamation

Final Reclamation/ Abandoned Location:

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

Final Land Use: 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

COGCC Comments

| Comment | User | Date |
|---|------------|------------|
| Ditches on western/eastern ends of the Location not per good engineering- BMPs remain mostly topsoil material, unconsolidated soils and/or constructed with vertical slopes. | trujilloam | 08/10/2023 |
| <p>COMMENT #1</p> <p>Inspection Nos. 696204265, #696204558 and #696205100 observed that BMPs to protect topsoil from wind and water erosion, as well as to minimize sediment transport, and to ensure soils remain properly segregated from the fill slopes and subsoils are missing or insufficient; topsoil stockpiles bare and at risk to wind and water erosion/degradation. Inspection required Operator to comply with 1002.f and 1002.c.</p> <p>Inspection #696205100 also observed that Operator had failed to ensure topsoils remain properly separated from subsoils; BMPs between the topsoil and fill slopes inadequate; subsoils observed pushed onto sections of the topsoil stockpiles. This inspection also required Operator to comply with 1002.b.(2), and for Operator to coordinate with NW Reclamation Specialist so ECMC Staff are on site during segregation activities, and topsoil will be required to be imported to supplement the topsoil resource lost.</p> <p>It was observed in this inspection that Operator has largely removed the subsoils from the topsoil stockpiles, however BMPs to ensure topsoil remains properly segregated from subsoil material, as well as to minimize erosion, degradation and sediment transport remain missing or inadequate; topsoil material remains apparent within areas of the “ditch” on the northwestern/eastern perimeter.</p> <p>Operator on site indicated work to segregate soils commenced 7/27/2023- Operator also failed to coordinate/contact NW Reclamation Specialist to ECMC Staff would be on site during segregation activities.</p> <p>It was also observed that Operator has removed a majority of the stormwater and erosion control measures (silt fence, erosion logs) previously installed at the toe of the topsoil stockpiles and along the perimeter of the Location; additionally, BMPs to stabilize, as well as to protect the topsoil from wind and water erosion, and weed establishment remain missing or insufficient per the corrective actions; topsoil stockpiles remain largely bare; vegetation observed establishing are Undesirable Plant Species such as Amaranth, various introduced mustard species, prostrate knotweed, etc... Fugitive dust (wind erosion) from the topsoil stockpiles was observed during inspection.</p> <p>Location remains out of compliance with 1002 rules, including soil protection and segregation requirements.</p> | trujilloam | 08/10/2023 |

Attached Documents

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

| Document Num | Description | URL |
|--------------|----------------------------------|---|
| 696205151 | Inspection Photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6214970 |
| 696205153 | Cement waste spill- Eastern WPS. | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6214971 |
| 696205154 | Cement waste spill- Eastern WPS. | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6214972 |