

**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:

11/14/2023

Submitted Date:

11/15/2023

Document Number:

708200700

FIELD INSPECTION FORMLoc ID 471039 Inspector Name: Edwardson, Dylan On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**

OGCC Operator Number: 10814

Name of Operator: MDS ENERGY DEVELOPMENT LLC

Address: 409 BUTLER RD SUITE A

City: KITTANNING State: PA Zip: 16201

Status Summary:

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

Findings:

6 Number of Comments

2 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
Heibel, Krystal		krystal.heibel@state.co.us	
		siji.chaparro@iptwell.com	
Arthur, Denise		denise.arthur@state.co.us	
SAADEH, RICHARD		richard.saadeh@mdsed.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
471039	LOCATION	AC			-	Castor 7-59 10	RI
471064	WELL	WO	08/01/2023	LO	123-50750	CASTOR 7-59 10-3-1	CI
471065	WELL	WO	08/01/2023	LO	123-50751	CASTOR 7-59 10-3-5	CI
471066	WELL	DG	08/01/2023	LO	123-50752	CASTOR 7-59 10-3-8	CI
471069	WELL	DG	10/20/2023	LO	123-50755	CASTOR 7-59 10-3-12	CI

General Comment:

This is a follow-up Construction and Stormwater Inspection for Location ID (471039). This inspection is being entered to update the status of an outstanding compliance issue (Rule 1002.b).

Inspected Facilities				
Facility ID:	<u>471039</u>	Type:	<u>LOCATION</u>	API Number: <u>-</u> Status: <u>AC</u> Insp. Status: <u>RI</u>
Facility ID:	<u>471064</u>	Type:	<u>WELL</u>	API Number: <u>123-50750</u> Status: <u>WO</u> Insp. Status: <u>CI</u>
Facility ID:	<u>471065</u>	Type:	<u>WELL</u>	API Number: <u>123-50751</u> Status: <u>WO</u> Insp. Status: <u>CI</u>
Facility ID:	<u>471066</u>	Type:	<u>WELL</u>	API Number: <u>123-50752</u> Status: <u>DG</u> Insp. Status: <u>CI</u>
Facility ID:	<u>471069</u>	Type:	<u>WELL</u>	API Number: <u>123-50755</u> Status: <u>DG</u> Insp. Status: <u>CI</u>

Environmental**Spills/Releases:**

Type of Spill: _____

Estimated Spill Volume: _____

Comment: During this inspection, Staff observed hydrocarbons within the liner near flowback equipment. It was apparent that not all free fluids have been removed and properly disposed of, as tire tracks transported E&P waste outside of secondary containment. Additionally, stained soils were observed around the production areas and staining/free fluids within the tank battery secondary containment. Staff is unclear if this is related to Spill ID #484957 as the Operator has not complied with COA #6 (doc #403490670) to provide all pertinent information about the spill including but not limited to maps, photos, GPS coordinates, etc. If this incident is completely separate from Spill ID #484957, Operator will need to follow 900 Series rules to report additional spills. Refer to attached inspection photos.

Corrective Action: Report spill or release of E&P waste or produced fluids. Remove free fluids and contact ECMC EPS staff per Rule 912.b. 24 hours to remove free fluids. 24 hours for notification to area EPS Staff (Krystal.Heibel@state.co.us) and 72 hours for Initial Form 19 Report.

Date: 11/16/2023

Reportable: _____

GPS: Lat _____

Long _____

Proximity to Surface Water: _____

Depth to Ground Water: _____

Water Well Complaint:

Lat

Long

DWR Receipt Num: _____

Owner Name: _____

GPS : _____

Field Parameters:

Sample Location: _____

Comment: _____

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 _____ Fail _____

Comment _____

[See "ECMC Inspector Comments" section at the end of this document.](#)

Corrective Action _____

Comply with Rule 1002.b. Operator shall import approximately 2,952 CY of topsoil to supplement the deficit for the minimum required 6" of topsoil. Operator shall submit soil analytical data on the imported topsoil, and from adjacent reference area, no later than 1 month before importation, via Form 4 Sundry (Route to Reclamation Specialist Dylan Edwardson). Operator shall use the ECMC Topsoil Protection Plan guidance for agronomic properties and analyte testing (page 4) and compare those results with a topsoil assessment for reference areas to ensure equivalent topsoil is being imported. Corrective action date is being back-dated to when the location should have been in compliance.

Date **10/25/2022**

1002c. PROTECTION OF SOILS _____

Comment _____

Corrective Action _____

Date _____

1002E. SURFACE DISTURBANCE 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 REVEGETATIONCropland

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 Operator shall comply with interim reclamation timing requirements. Refer to "Notice to Operators: Interim Reclamation Procedures for Delayed Operations" found on ECMC website under the following tabs "Regulation" -> "Policies" for additional information.

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 <input type="checkbox"/>	Multi-Well Location <input type="checkbox"/>
COGCC Comments		
Comment	User	Date
<p>1002.b Comments</p> <p>Previous FIR (doc #708200062) documented that the Operator had failed to salvage all topsoil on location during construction activities, noting that the topsoil stockpile was approximately 5,925 CY and required the Operator to import approximately 8,700 CY to account for the deficit (~10" of topsoil over a 10.9 acre disturbance). However, during this inspection, Staff recalculated the salvageable disturbance area (~8 acres) and remeasured the topsoil stockpile (~3,495 CY) using drone technology and has determined that approximately 3.25" of topsoil was originally salvaged from the location. The Operator should have salvaged at least 6,447 CY at the minimum required depth of 6" over the salvageable area, however, ALL salvageable topsoils should have been separated and stored during the initial location construction. Therefore, the Operator is being required to import ~ 2,952 CY of topsoil to supplement the deficit, in order to have at least ~6,447 CY, or 6" over the ~8 acre disturbance area, for subsequent reclamation activities. It is ECMC's expectation that all State and County permitting requirements have been obtained and shall be made available for submission to ECMC Staff upon request.</p> <p>Refer to attached inspection photos for documentation.</p>	edwardsond	11/15/2023
<p>Most recent Form 19 Initial submittal (Doc #403490670) was received on August 8, 2023. A Form 19 Supplemental submittal was due 90 days later, no later than November 6, 2023.</p> <p>Pursuant to Rule 912.b.(6) Operator is required to submit a Form 19 Supplemental Report for the associated spill within 90 days of the spill date requesting closure pursuant to Rule 913.h and supported by adequate documentation to demonstrate that the Spill or Release has been fully cleaned up and complies with Table 915-1; or A Form 27 if any of the criteria listed in Rules 912.b.(6).B.i–iii apply. If Remediation will continue under an approved Form 27, the Operator will also submit a Form 19 – Supplemental which requests closure of the Spill or Release and includes the Remediation project number assigned by the Director.</p>	edwardsond	11/15/2023

Attached Documents

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

Document Num	Description	URL
708200701	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6323193