

**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:

12/01/2023

Submitted Date:

12/01/2023

Document Number:

697504987

FIELD INSPECTION FORMLoc ID 456651 Inspector Name: Binschus, Chris On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**

OGCC Operator Number: 10701

Name of Operator: UPLAND EXPLORATION LLC

Address: 424 S MAIN ST

City: BOERNE State: TX Zip: 78006

Status Summary:

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

Findings:

8 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****Contact Information:**

Contact Name	Phone	Email	Comment
Adamczyk, Megan		megan.adamczyk@state.co.us	
		dustin@uplandexploration.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
456651	LOCATION	AC			-	Salt Ranch Fee 18 East	RI

General Comment:

This inspection is only in response to complaints submitted between November 2-27, 2023.

Refer to the Lease Road, Complaint, Reclamation and COGCC Comments sections of this inspection report for additional details.

Location

Lease Road:

Type	Other		
comment:	<p>Surface Owner has documentation that Upland contractors are not obeying speed restrictions, which has been the result of previous dust issues.</p> <p>Operator has a guard at the main entrance off CR57 who instructs drivers to obey speed restrictions, yet there are continued issues.</p> <p>This is an on-going issue that has been documented on previous Field Inspection Reports.</p> <p>The previous Field Inspection Report submitted on 10/4/2023 required the Operator to implement more robust BMPs to ensure speed restrictions are being followed. Operator has failed to implement additional, robust BMPs. Staff will continue to state this requirement.</p>		
Corrective ActionL	<p>Comply with Rule 427.b.</p> <p>It is the responsibility of the Operator to manage all contractors.</p> <p>Operator shall implement more robust BMPs to ensure speed restrictions are being followed.</p>	Date:	02/28/2023
Type	Access		
comment:	<p>Surface Owner has documentation that Upland contractors continue to trespass, ignore Upland signage and not follow the designated access route per the Form 2A.</p> <p>This was noted in the April 12, 2023 Field Inspection Report (Doc.# 697504597) and attached photos (Doc.# 697504598).</p> <p>This is an on-going issue.</p>		
Corrective ActionL	<p>Comply with the Form 2A Access Road Map (Doc.# 401576196). Failure to comply would be considered a permit violation.</p> <p>It is the responsibility of the Operator to manage all contractors.</p> <p>The corrective action date is the date the inspection was submitted. Note- the most recent complaints regarding this issue were submitted on 11/15/2023 and 11/27/2023.</p>	Date:	12/01/2023
Type	Main		
comment:	<p>Prior to Upland taking over ownership of this Location, the main entrance was a manual operation and there were no issues with any of the other previous Operators (Chesapeake Operating, Ironhorse Resources and CCRP).</p> <p>Upland installed a solar powered automatic gate at the main entrance off CR57. The automated gate was recently damaged and now requires manual operation.</p> <p>The Surface Owner has documentation that Upland contractors are failing to close and lock the gate at the main entrance off CR57.</p> <p>Operator has failed to restrict access by unauthorized persons.</p>		
Corrective ActionL	<p>Comply with Rule 603.h.</p> <p>It is the responsibility of the Operator to manage all contractors.</p> <p>The corrective action date is the date the inspection was submitted. Note- the most recent complaint regarding this issue was submitted on 11/15/2023.</p> <p>Note- this has been an issue in the past with the solar powered automatic gate not working during overcast weather conditions.</p>	Date:	11/17/2023

Overall Good: ☐

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

Comment:

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

Yes/No			
Comment:			
Corrective Action:		Date:	

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Inspected FacilitiesFacility ID: 456651 Type: LOCATION API Number: - Status: AC Insp. Status: RI**Complaint**Comment: Summary of Complaints submitted between November 2-27, 2023.

- 1) 403596863- Interim Reclamation: Operator has failed to perform interim reclamation
- 2) 403598450 & 403608936- Access Route: Contractors continue to trespass onto private lands and not follow the approved access route.
- 3) 403598469- Main gate is being left open and not locked.
- 4) 403608921- Contractors fail to stay on lease access roads and travel outside of the original access road boundary.
- 5) 403608931- Contractors fail to follow the proposed vehicle speed limit which has been the result of previous dust issues.

Each complaint will be addressed in the appropriate section of the Field Inspection Report.

Corrective Action:

Date:

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 _____

Comment _____

Corrective Action _____

Date _____

1002c. PROTECTION OF SOILS _____

Comment _____

Corrective Action _____

Date _____

1002E. SURFACE DISTURBANCE MINIMIZATION _____ Fail _____

Comment

Surface Owner has documentation that Upland contractors are failing to restrict lease road travel on the original access road boundary.

This is an on-going issue that has been documented on previous Field Inspection Reports.

Corrective Action

Comply with Rule 1002.e.(4) so that all vehicles used by the operator, contractors, and other parties associated with the well shall not travel outside of the original access road boundary.

Date **12/01/2023**

The corrective action date is the date the inspection was submitted. Note- the most recent complaint regarding this issue was submitted on 11/27/2023.

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? Fail 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 Surface Owner has submitted a complaint about the failure to perform Interim Reclamation.

This location does not comply with Rule 1003.b. Operator has failed to perform interim reclamation to reduce disturbance areas only reasonably needed for production operations. Both producing wells went onto production back on November 2022; therefore, interim reclamation should have been completed by November 2023.

Of the 14 wells originally permitted, two are producing, six are expired and six are abandoned permits. Six have been refiled but remain On-Hold due to multiple surface issues.

See COGCC Comments Section for additional info.

Corrective Action Comply with Notice to Operators: Interim Reclamation Procedures for Delayed Operations (dated January 5, 2017).

Date 12/01/2023

The corrective action date is the date the inspection was submitted. Note- the complaint regarding this issue was submitted on 11/2/2023.

Overall Interim Reclamation Fail

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
<p>Interim Reclamation:</p> <p>Even if the Operator had valid Form 2's, that does not extend the time for commencing interim reclamation under Rule 1003.</p> <p>It appears the Operator is wanting to drill additional wells per Form 4 Doc.# 403409282; therefore, the Operator will want to leave the current working pad surface as is. If that is the case, the only option for Upland to come into compliance is comply with the Notice to Operators: Interim Reclamation Procedures for Delayed Operations (NTO), which will require additional financial assurance bonding.</p> <p>Operator can find guidance on the NTO by going to the ECMC Home Page, then Regulation tab, then Policies tab, then scroll down to the applicable NTO dated January 5, 2017. Operator will have to complete Items 1-7 on Page 3 and submit a Cost Estimate to perform interim reclamation.</p> <p>All of the above information will need to be submitted as a Variance Hearing Application per Rule 502. Operator can find guidance on the Variance Hearing Application by going to the ECMC Home Page, then Regulation tab, then Operator Guidance tab, then scroll down to September 14, 2021.</p>	binschusc	12/01/2023