

**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:

11/22/2023

Submitted Date:

11/29/2023

Document Number:

710500135**FIELD INSPECTION FORM**Loc ID 484360 Inspector Name: Sanchez, Chris On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**OGCC Operator Number: 10797Name of Operator: DESERT EAGLE OPERATING LLCAddress: 17101 PRESTON RD SUITE 105City: DALLAS State: TX Zip: 75248**Status Summary:**☐ THIS IS A FOLLOW UP INSPECTION☒ FOLLOW UP INSPECTION REQUIRED☐ NO FOLLOW UP INSPECTION REQUIRED**Findings:**9 Number of Comments4 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 |
|--------------|--------------|------------------------|--|
| Butler, Brad | 972-345-9195 | butleroil@yahoo.com | Desert Eagle Operating llc |
| Bulf, Cathy | | cathybulf@gmail.com | Desert Eagle Operating llc |
| Costa, Ryan | | ryan.costa@state.co.us | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|----------|--------|-------------|------------|-----------|-----------------|-------------|
| 484360 | LOCATION | AC | | | - | Red Rocks 35-11 | EI |
| 484675 | WELL | DG | 09/29/2023 | | 071-09929 | Red Rocks 35-11 | EI |

General Comment:This is an Environmental Inspection for the Red Rocks 35-11 Location ID 484360 Active Well Location located in Las Animas County Colorado

LocationOverall Good: ☐

Emergency Contact Number:

Comment: Corrective Action: Date: **Good Housekeeping:**

| | | | |
|--------------------|---|--|------------------|
| Type | STORAGE OF SUPL | | |
| Comment: | There is unused conductor pipe and cement not properly stored on location | | |
| Corrective Action: | Comply with Rule 606. | | Date: 11/21/2023 |
| Type | TRASH | | |
| Comment: | There is trash not properly stored on location, outside of a trash receptacle | | |
| Corrective Action: | Comply with Rule 606 | | Date: 11/21/2023 |

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: | 484360 | Type: | LOCATION | API Number: | - | Status: | AC | Insp. Status: | EI |
| | | | | | | | | | |
| Facility ID: | 484675 | Type: | WELL | API Number: | 071-09929 | Status: | DG | Insp. Status: | EI |
| | | | | | | | | | |

Environmental**Spills/Releases:**Type of Spill: DRILLING CUTTINGS

Estimated Spill Volume: _____

Comment: Drill Cuttings were observed outside of containment area on location. There is evidence of drift from the drill cuttings in the native pasture north and northeast of the location. Drill Cuttings should be contained on location to prevent cross contamination to undisturbed or native soils. In addition there is a white substance which looks to be drilling fluids on location flowing from the well pad northwest to native pasture located at 37.47542; -104.54734

Corrective Action: Operator shall report the release of E&P Waste within 24 hours per Rule 912. For Drill cuttings and white substance.

Date: 12/01/2023Reportable: YESGPS: Lat 37.475600Long -103.547260

Proximity to Surface Water: _____

Depth to Ground Water: _____

Water Well Complaint:

DWR Receipt Num: _____ Owner Name: _____ GPS : _____ Lat _____ Long _____

Field Parameters:

Sample Location: _____ Comment: _____

Waste Management:

Type Management Condition GPS (Lat) (Long)

Drill Cuttings Piles Inadequate 37.475000 -103.547000

Comment: Drill cuttings on location are not properly stored. The Cuttings need to be placed on a non-permeable liner and bermed on all sides to assure there is no migration or cross contamination to undisturbed soils

Corrective Action: Comply with Rule 905. for Management of E&P Waste.

Date: 12/06/2023**Spill/Remediation:**

Comment: _____

Corrective Action: _____

Date: _____

Emission Control Burner (ECB): _____

Comment: _____

Pilot: _____ Wildlife Protection Devices (fired vessels): _____

COGCC Comments

| Comment | User | Date |
|--|-----------|------------|
| <u>Drill Cuttings were observed outside of containment area on location. There is evidence of drift from the drill cuttings in the native pasture north and northeast of the location. Drill Cuttings should be contained on location to prevent cross contamination to undisturbed or native soils.</u> <u>In addition there is a white substance which looks to be drilling fluids on location flowing from the well pad northwest to native pasture located at 37.47542; -104.54734</u> <u>Operator shall report the release of E&P Waste within 24 hours per Rule 912. For Drill cuttings and white substance.</u> | sanchezcc | 11/29/2023 |
| <u>All Corrective Actions identified in Construction and Stormwater Management inspection Document # 713600414 apply until resolved.</u> | sanchezcc | 11/29/2023 |

Attached Documents

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

| Document Num | Description | URL |
|--------------|-------------------------|---|
| 403610319 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6338471 |
| 710500136 | Location Photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6338458 |