

**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:

12/11/2023

Submitted Date:

12/12/2023

Document Number:

700300685**FIELD INSPECTION FORM**Loc ID 484496 Inspector Name: LABOWSKIE, STEVE On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**OGCC Operator Number: 10764Name of Operator: NUEVIDA RESOURCES LLCAddress: 5950 CEDAR SPRINGS RD STE #100City: DALLAS State: TX Zip: 75235**Status Summary:**

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

Findings:8 Number of Comments3 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
Pate, Richard	(303) 945-2868	dpate@nuevidaresources.com	All SW Inspections
, Engineering		dnr_ecmc_engineering@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
484746	WELL	DG	07/24/2023		067-10037	Ardourel 33081718 3HL	WO
484747	WELL	DG	08/26/2023		067-10038	Ardourel 4HL	WO

General Comment:

SW compliance supervisor Steve Labowskie conducted inspection to ensure cease of operations for wildlife closure (CPW/OGLA granted extension to 12/8/23. No personnel or heavy equipment present.

This is an expedited inspection for immediate corrective actions regarding open and leaking casing valves on both wells, open cellars with standing fluid inadequate wildlife protections and response time to calls to posted 24 hour operator contact number which was called during regular business hours, there is also no emergency service phone number (911) posted on sign.

Another inspection regarding stormwater/site stabilization and housekeeping will be submitted subsequently.

LocationOverall Good: ☐**Signs/Marker:**

Type	DRILLING/RECOMP		
Comment:	At intersection of CR 318 and access road. Due to double pad configuration, large disturbance and wells distance from sign at county road additional signage closer to the well pad and wells should be installed per Rule 605.c(2) "Such signs will be at locations sufficient to advise emergency crews where drilling, Hydraulic Fracturing Treatment, Flowback, and recompletion operations are taking place."		
Corrective Action:		Date:	

Emergency Contact Number:

Comment:	A call to number identified as "phone #" 214-838-2768 to inform operator of critical issue regarding casing head venting and wildlife dangers was made at 2:37 MST and another at 4:28 MST and was not returned until 5:22 PM MST. There is no emergency services number listed on drilling sign.		
	Note: (214) 838-2748 is listed on operators Form 1		
Corrective Action:	Install/operate a single 24 hour operator contact number per 605.a(3) where someone with operational authority can be reached.		Date: _____
	Install emergency services number (911) per 605.a(4)		

Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

Comment: ☐ Multiple Spills and Releases?**Fencing/:**

Type	WELLHEAD		
Comment:	Well cellars mostly full of fluid from open/leaking casing valves, 2 wood pallets at each well leaning against wellhead (see photos) are inadequate protections.		
Corrective Action:	Install adequate protections to prevent wildlife entry, entrapment and drowning in conductors/well cellars per Rules 406.e. and 602.c		Date: 12/11/2023
	Note: an escape ramp/ladder is acceptable if cellar remains dry/not holding fluid		

Venting:

Yes/No	YES		
Comment:	gas and fluid audibly and visually coming from casing/bradenhead valves on both wells (see phot/video attachments)		
Corrective Action:	Cease venting gas and releasing fluid to cellar. Conduct pressure checks on all casing and bradenhead accesses and report to ECOM Engineering any pressures that exceed .3 psig X depth of casing shoe per Rule 419		Date:

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Inspected Facilities									
Facility ID:	<u>484746</u>	Type:	<u>WELL</u>	API Number:	<u>067-10037</u>	Status:	<u>DG</u>	Insp. Status:	<u>WO</u>
Facility ID:	<u>484747</u>	Type:	<u>WELL</u>	API Number:	<u>067-10038</u>	Status:	<u>DG</u>	Insp. Status:	<u>WO</u>

Optical Gas Imaging Survey

Survey Type: _____

Current Operations: ☐ Production ☐ Workover ☐ Flowback ☐ Referred to APCD

GPS(entrance of location): Lat: _____ Long: _____

Wind: _____ Speed: _____ (mph) Direction From: _____ Weather: _____ Temperature: (F) _____

Assisting Staff: _____ Camera #: _____

☐ Visible Smoke ☐ Referred to CDPHE

Times Surveyed

Equipment Surveyed

Time Survey Start	AM/PM	Time Survey End	AM/PM

Equipment

Wellhead(s)

Comment: Gas observed with FLIR from open/leaking valves at wellhead, see "venting section" for corrective action

Corrective Action: _____ Date: _____

COGCC Comments

Comment	User	Date
Operator should be conducting monthly pressure monitoring of bradenhead and intermediate casings (after rig release and pre-stimulation per Rule 419).	labowsks	12/12/2023
Conduct pressure monitoring and provide results to ECMC Engineering no later than 12/19/23		

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

Document Num	Description	URL
403621693	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6353068
700300686	Drilling/construction sign	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6353028
700300687	4H wellhead/cellar w/ fluid, inadequate protection	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6353029
700300688	3H wellhead/cellar w/oily fluid inadeq protection	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6353030
700300689	4H FLIR, venting gas, surging fluid, open valve	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6353031
700300690	3H FLIR, venting, fluid/gas, valve/nipple	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6353032
700300691	3H video w/ audio	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6353033
700300692	4H video w/audio	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6353034