

**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:

03/12/2024

Submitted Date:

03/14/2024

Document Number:

696205676**FIELD INSPECTION FORM**Loc ID 430926 Inspector Name: Trujillo, Aaron On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**OGCC Operator Number: 3104Name of Operator: ANSCHUTZ EXPLORATION CORPAddress: 555 17TH ST STE 2400City: DENVER State: CO Zip: 80202**Status Summary:**

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

Findings:15 Number of Comments9 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
Heil, John		john.heil@state.co.us	
		lindsey.organ@aecdenvr.co m	

General Comment:

On 3/12/2024, Reclamation Specialist Trujillo conducted an interim reclamation and stormwater inspection at Anschutz Exploration Corp's BHR O23-397 location in Rio Blanco County, Colorado.

Location is Fee Surface, with Fed Minerals.

Location is within the following High Priority Habitats:

- Aquatic Sportfish Management Waters
- Greater Sage Grouse Priority Habitat Management Area
- Elk Severe Winter Range
- Elk Winter Concentration Area
- Mule Deer Winter Concentration Area
- Pronghorn Winter Concentration

This is also a follow-up inspection to #696205478, to document compliance for the following corrective actions:

- Interim Reclamation of areas not needed for production
- Good Housekeeping (Trash, debris, unused equipment).
- Loadlines lack cap/plug
- Wildlife Protections
- Spills
- Weeds

This inspection is also in response to Resolution #403659934 stating corrective actions have been completed.

It was observed in this inspection that the corrective actions regarding wildlife protections, and some good housekeeping items have been resolved.

Corrective actions regarding loadlines, trash/debris/unused equipment (good housekeeping), fluids within containment and interim reclamation have not been addressed and remain outstanding.

The following new compliance issues were observed per this inspection:

- Stormwater
- Spills/Impacted soils

Refer to the "Location", "Reclamation" and "Stormwater" 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 inspection that have not been addressed are still applicable.

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

Type	BATTERY		
Comment:			
Corrective Action:		Date:	
Type	OTHER		
Comment:	Location		
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:			
Corrective Action:		Date:	

Emergency Contact Number:

Comment: 1-888-696-1300

Corrective Action:

Date: _____

Good Housekeeping:

Type	TRASH		
Comment:	<p>Inspection #696205478 observed various trash/debris/rubbish/etc... throughout the entire working pad surface and fill slopes of the Location. Inspection required Operator to comply with Rule 606.d.</p> <p>Operator submitted Resolution #403659934 stating CA has been completed.</p> <p>It was observed in this inspection that work to address the corrective action has not been performed, or has been inadequate; trash/debris/rubbish/etc..., including trash items documented in the previous inspection, observed throughout the Location.</p> <p>Corrective action per Inspection #696205478 has not been addressed; corrective action and date remains applicable.</p>		
Corrective Action:	Corrective action per Inspection #696205478: Comply with Rule 606.d	Date:	
Type	STORAGE OF SUPL		
Comment:	<p>Inspection #696205478 observed Various unused equipment, containers, etc... throughout the entire working pad surface of the Location; pipe and equipment not needed for production for this Location being stored on the north and east end of the Location. Inspection required Operator to comply with Rule 606.a.</p> <p>It was observed in this inspection that the unused equipment stored on the north and east end of the Location has been removed. The portion of the CA has been resolved; Various unused equipment remains improperly stored throughout Location.</p> <p>Corrective action per Inspection #696205478 has not been addressed; corrective action and date remains applicable.</p>		
Corrective Action:	Corrective action per Inspection #696205478: Comply with Rule 606.a	Date:	
Type	WEEDS		
Comment:	Refer to inspection #696205478 regarding corrective action requirements. A followup inspection will be conducted at a future date to determine compliance with Rule 606.c and 1003.f requirements.		
Corrective Action:		Date:	

Overall Good: ☐

Spills:				
Type	Area	Volume		
Comment:	Secondary containment measure (stock tank) placed under lines leading from production equipment on the west end of the Location is inadequate to contain a spill or release. This has resulted in spills outside of containment and impacted soils. See Photos 34-35.			
Corrective Action:	Install or repair secondary containment device to adequately contain a spill or release from lines at production equipment.			Date: <u>03/16/2024</u>
Comment:	Production equipment throughout the Location (including lines at the tank battery, separators/sheds on the west end of the pad, pipe riser on the southeast end of the Location, etc...) have not been maintained in a good mechanical condition. This has resulted in spills, releases and impacted soils/materials within the tank battery facility, at the base of production equipment and working pad surface throughout the entire Location.			
Corrective Action:	Securely fasten all valves, pipes, fittings, and Production Facilities to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 608.e.			Date: <u>03/28/2024</u>
Comment:	Inspection #696205478 observed multiple containment measures (Honey pots, stock tanks, etc.), as well as containers such as buckets, were observed filled with fluids. Inspection required Operator to remove and properly dispose fluids. Operator submitted Resolution #403659934 stating CA has been completed. It was observed in this inspection that the corrective action has not been resolved; fluids observed remaining within the honeypots, and other containment measures at production equipment identified in inspection #696205478. Corrective action has not been resolved and remains applicable.			
Corrective Action:	Corrective action per inspection #696205478: Remove and properly dispose fluids within containment.			Date:
Comment:	Production equipment throughout the Location (including lines at the tank battery, separators/sheds on the west end of the pad, pipe riser on the southeast end of the Location, etc...) have not been maintained in a good mechanical condition. This has resulted in spills, releases and impacted soils/materials within the tank battery facility, at the base of production equipment and working pad surface throughout the entire Location.			
Corrective Action:	Clean up spills/releases per Rule 912.a. Clean/Remediate impacts to Table 915-1 standards.			Date: <u>04/13/2024</u>

In Containment: No

Comment:

☐ Multiple Spills and Releases?

Equipment:			corrective date
Type:	#		

Comment:	Inspection #696205478 observed that BMPs to prevent wildlife access to, or allow wildlife egress from containment measures for multiple motor oil, methanol and/or glycol tanks were observed to be missing. Inspection required Operator to install or repair wildlife protection equipment.			
	Operator submitted Resolution #403659934 stating CA has been completed.			
	It was observed in this inspection that the corrective action has been resolved; netting/mesh material has been placed over the containment measures to minimize wildlife access.			
Corrective Action:			Date:	
Type:		#		
Comment:	Inspection #696205478 observed that lines at the tank battery facility lacked required plug/cap.			
	Inspection required operator to Plug/cap lines at tank battery.			
	Operator submitted Resolution #403659934 stating CA has been completed.			
	It was observed in this inspection that caps/plugs have not been installed at the loadlines of the tanks.			
	Corrective action per inspection #696205478 has not been addressed and remains applicable.			
Corrective Action:	Corrective action per inspection #696205478: Plug/cap lines at tank battery to comply with Rule 603.i		Date:	

Venting:

Yes/No			
Comment:			
Corrective Action:		Date:	

Flaring:

Type		
Comment:		
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 SEGREGATION _____

Comment _____

Corrective Action _____

Date _____

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 [See "COGCC Comments" at the end of this report.](#)

Corrective Action **Corrective action per inspection #696205478: Comply with Rule 1003.b- conduct interim reclamation on the Location including, but not limited to, compaction alleviation, recontouring/regrading, replacement of topsoil and revegetation activities on areas not needed for production. Ensure the seed mixture used is provided by the Surface Owner, or Location Soil Conservation Service. BMPs to stabilize the seeded soils will be required upon completion of revegetation activities. Continue to monitor and manage interim areas until Location receives a passing final reclamation inspection.**

Date _____

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 <input type="checkbox"/>		Multi-Well Location <input type="checkbox"/>		
Storm Water:						
Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
<div style="border: 1px solid black; padding: 5px;"><p>Comment: It was observed in this inspection that stormwater and erosion control BMPs were missing or insufficient on the Location:</p><p>-BMPs to stabilize the working pad surface are no longer in proper functioning condition; control measures to minimize tracking inadequate; control measures to minimize off-site sediment transport by equipment, such as vehicle tracking pad, also not observed.</p><p>-Slopes (Cut/Fill) of the location largely bare; erosion degradation evident resulting in degradation and sediment transport. BMPs to stabilize, as well as to minimize erosion, degradation and sediment transport missing or insufficient.</p></div>						
Corrective Action: Comply with Rule 1002.f.						Date: 03/16/2024
Pits: <input type="checkbox"/> NO SURFACE INDICATION OF PIT						

COGCC Comments		
Comment	User	Date
INTERIM RECLAMATION Inspection #696205478 observed that interim reclamation of areas not reasonably needed for production (North/east ends of the Location) has not been performed on the Location. Inspection required Operator to comply with Rule 1003.b. Operator submitted Resolution #403659934 stating CA has been completed. It was observed in this inspection interim reclamation work to reduce the Location to only areas reasonably needed for production has not been performed. Corrective action has not been addressed. It was observed in this inspection that the interim areas and slopes on the west and northwest end of the Location are predominantly bare, and not progressing towards 1003 standards. Additional reclamation efforts will also be required within these areas.	trujilloam	03/13/2024

Attached Documents

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

Document Num	Description	URL
696205677	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6466503