

**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:

05/02/2024

Submitted Date:

05/02/2024

Document Number:

702502723**FIELD INSPECTION FORM**Loc ID 315030 Inspector Name: Burchett, Kirby On-Site Inspection ☐ 2A Doc Num: \_\_\_\_\_**Operator Information:**ECMC Operator Number: 10779Name of Operator: SCOUT ENERGY MANAGEMENT LLCAddress: 13800 MONTFORT DRIVE SUITE 100City: DALLAS State: TX Zip: 75240**Status Summary:**☐ THIS IS A FOLLOW UP INSPECTION☒ FOLLOW UP INSPECTION REQUIRED☐ NO FOLLOW UP INSPECTION REQUIRED**Findings:**16 Number of Comments2 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 |
|---------------------|----------------|-------------------------------|---------|
| Regulatory, Rangely |                | RangelyRegulatory@scoutep.com |         |
| Sanford, Anita      | (970) 551-8313 | Anita.Sanford@scoutep.com     |         |
| Johnson, Mike       |                | Mike.Johnson@scoutep.com      |         |
| Patterson, Chris    |                | Chris.Patterson@scoutep.com   |         |

**Inspected Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num   | Facility Name      | Insp Status |
|-------------|------|--------|-------------|------------|-----------|--------------------|-------------|
| 230129      | WELL | SI     | 02/01/2024  | OW         | 103-07788 | PEPPER, M. ET AL 1 | SI          |

**General Comment:****ECMC Inspection Report Summary**

On Thursday, 05/2/2024, Inspector Kirby Burchett, conducted a routine inspections at Scout Energy Management LLC on the Pepper, M. Et Al 1 well, Location #315030, in Rio Blanco County, Colorado.

This location is within or close proximity to a Parks & Wildlife (CPW) District with High Priority, NSO, and Density Habitat regulations.

Any Corrective Actions from previous Inspections are still applicable.

While there during normal operations the following compliance issues were observed:

1. Random debris
2. Container open to wildlife.

Refer to Inspection Photos for observed compliance issues.

A follow up on this site inspection will be conducted to ensure all compliance issues have been corrected to comply with ECMC rules.

**Location**Overall Good: ☐

|                      |                      |       |  |
|----------------------|----------------------|-------|--|
| <b>Signs/Marker:</b> |                      |       |  |
| Type                 | BATTERY              |       |  |
| Comment:             |                      |       |  |
| Corrective Action:   |                      | Date: |  |
| Type                 | WELLHEAD             |       |  |
| Comment:             |                      |       |  |
| Corrective Action:   |                      | Date: |  |
| Type                 | TANK LABELS/PLACARDS |       |  |
| Comment:             |                      |       |  |
| Corrective Action:   |                      | Date: |  |
| Type                 | OTHER                |       |  |
| Comment:             | Entrance             |       |  |
| Corrective Action:   |                      | Date: |  |
| Type                 | CONTAINERS           |       |  |
| Comment:             |                      |       |  |
| Corrective Action:   |                      | Date: |  |

Emergency Contact Number:

Comment: 970-675-3700 or 911

Corrective Action:

Date: \_\_\_\_\_

**Good Housekeeping:**

|                    |   |       |            |
|--------------------|---|-------|------------|
| Type               | DEBRIS  |       |            |
| Comment:           | Pail open to wildlife.  |       |            |
| Corrective Action: | Remove and properly dispose of contents and debris  | Date: | 05/10/2024 |
| Type               | DEBRIS  |       |            |
| Comment:           | Random debris   |       |            |
| Corrective Action: | All excess materials, rubbish, supplies, trash, or other waste material will be properly contained until removed from the Oil and Gas Location. At no time will debris be placed or remain on the ground. | Date: | 05/10/2024 |

Overall Good: ☐

|                |      |        |  |
|----------------|------|--------|--|
| <b>Spills:</b> |      |        |  |
| Type           | Area | Volume |  |

In Containment: No

Comment:

☐ Multiple Spills and Releases?

|                    |   |       |  |
|--------------------|---|-------|--|
| <b>Fencing/:</b>   |   |       |  |
| Type               | TANK BATTERY                            |       |  |
| Comment:           | Livestock fence, panels and barbed wire |       |  |
| Corrective Action: |   | Date: |  |

|                    |  |       |  |
|--------------------|--|-------|--|
| Type               | PUMP JACK                                |       |  |
| Comment:           | Manufacturer                             |       |  |
| Corrective Action: |  | Date: |  |
| Type               | WELLHEAD                                 |       |  |
| Comment:           | Pumping unit and wellhead.<br>Chain link |       |  |
| Corrective Action: |  | Date: |  |

**Equipment:**

|                           |  |       |                 |
|---------------------------|--|-------|-----------------|
|                           |  |       | corrective date |
| Type: Other               | # 2  |       |                 |
| Comment:                  | Prime mover and tank vent.<br>Individual catch tanks |       |                 |
| Corrective Action:        |  | Date: |                 |
| Type: Bradenhead          | # 1  |       |                 |
| Comment:                  | 2 risers?  |       |                 |
| Corrective Action:        |  | Date: |                 |
| Type: Deadman # & Marked  | # 4  |       |                 |
| Comment:                  |  |       |                 |
| Corrective Action:        |  | Date: |                 |
| Type: Bird Protectors     | # 3  |       |                 |
| Comment:                  |  |       |                 |
| Corrective Action:        |  | Date: |                 |
| Type: Ancillary equipment | # 1  |       |                 |
| Comment:                  | Propane tank   |       |                 |
| Corrective Action:        |  | Date: |                 |
| Type: Prime Mover         | # 1  |       |                 |
| Comment:                  |  |       |                 |
| Corrective Action:        |  | Date: |                 |
| Type: Pump Jack           | # 1  |       |                 |
| Comment:                  |  |       |                 |
| Corrective Action:        |  | Date: |                 |
| Type: Ancillary equipment | # 2  |       |                 |
| Comment:                  | Chemical tanks on containments                       |       |                 |
| Corrective Action:        |  | Date: |                 |

**Tanks and Berms:**

| Contents           | # | Capacity | Type           | Tank ID | SE GPS |  |
|--------------------|---|----------|----------------|---------|--------|--|
| PRODUCED WATER     | 1 | 400 BBLS | FIBERGLASS AST |         | ,      |  |
| Comment:           |   |          |                |         |        |  |
| Corrective Action: |   |          |                |         | Date:  |  |

**Paint**

|                 |          |  |
|-----------------|----------|--|
| Condition       | Adequate |  |
| Other (Content) |          |  |

|                               |          |                     |                  |                     |             |  |
|-------------------------------|----------|---------------------|------------------|---------------------|-------------|--|
| Other (Capacity)              |          |                     |                  |                     |             |  |
| Other (Type)                  |          |                     |                  |                     |             |  |
| <u>Berms</u>                  |          |                     |                  |                     |             |  |
| Type                          | Capacity | Permeability (Wall) |                  | Permeability (Base) | Maintenance |  |
| Earth                         | Adequate |                     |                  |                     |             |  |
| Comment: <span>Unlined</span> |          |                     |                  |                     |             |  |
| Corrective Action:            |          |                     |                  |                     | Date:       |  |
| Contents                      | #        | Capacity            | Type             | Tank ID             | SE GPS      |  |
| CRUDE OIL                     | 2        | 400 BBLs            | HEATED STEEL AST |                     | ,           |  |
| Comment:                      |          |                     |                  |                     |             |  |
| Corrective Action:            |          |                     |                  |                     | Date:       |  |
| <u>Paint</u>                  |          |                     |                  |                     |             |  |
| Condition                     | Adequate |                     |                  |                     |             |  |
| Other (Content)               |          |                     |                  |                     |             |  |
| Other (Capacity)              |          |                     |                  |                     |             |  |
| Other (Type)                  |          |                     |                  |                     |             |  |
| <u>Berms</u>                  |          |                     |                  |                     |             |  |
| Type                          | Capacity | Permeability (Wall) |                  | Permeability (Base) | Maintenance |  |
| Earth                         | Adequate |                     |                  |                     |             |  |
| Comment: <span>Unlined</span> |          |                     |                  |                     |             |  |
| Corrective Action:            |          |                     |                  |                     | Date:       |  |
| <u>Venting:</u>               |          |                     |                  |                     |             |  |
| Yes/No                        | NO       |                     |                  |                     |             |  |
| Comment:                      |          |                     |                  |                     |             |  |
| Corrective Action:            |          |                     |                  |                     | Date:       |  |
| <u>Flaring:</u>               |          |                     |                  |                     |             |  |
| Type                          |          |                     |                  |                     |             |  |
| Comment:                      |          |                     |                  |                     |             |  |
| Corrective Action:            |          |                     |                  |                     | Date:       |  |

| Inspected Facilities  |        |       |      |             |           |         |    |               |    |
|---|--------|-------|------|-------------|-----------|---------|----|---------------|----|
| Facility ID:  | 230129 | Type: | WELL | API Number: | 103-07788 | Status: | SI | Insp. Status: | SI |
| Idle Well   |        |       |      |             |           |         |    |               |    |
| Purpose: <input checked="" type="checkbox"/> Shut In <input type="checkbox"/> Temporarily Abandoned Reminder: |        |       |      |             |           |         |    |               |    |
| Comment: Last Production - January 2024<br>February 2024 Production Reporting                                 |        |       |      |             |           |         |    |               |    |
| Corrective Action: Date:  |        |       |      |             |           |         |    |               |    |

The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

Reclamation - Storm Water - Pit

Storm Water:

|                  |                 |                         |                       |               |                          |         |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
|                  |                 | Ditches                 |                       |               |                          |         |
| Berms            |                 |                         |                       |               |                          |         |

Comment: Operator is responsible for maintaining Best Management Practices (BMPs) to control vehicle tracking and potential sediment discharges from operational roads, well pads, and other unpaved surfaces.

Corrective Action:

Date:

Pits: ☒ NO SURFACE INDICATION OF PIT

Attached Documents

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

|              |                      |   |
|--------------|----------------------|---|
| Document Num | Description          | URL   |
| 403777832    | INSPECTION SUBMITTED | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6534301">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6534301</a> |
| 702502724    | Inspection Photos    | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6534300">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6534300</a> |