

**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:

05/07/2024

Submitted Date:

05/09/2024

Document Number:

715500008

FIELD INSPECTION FORMLoc ID 313036 Inspector Name: Burchett, Kirby On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**

ECMC Operator Number: 10133

Name of Operator: HILCORP ENERGY COMPANY

Address: P O BOX 61229

City: HOUSTON State: TX Zip: 77208

Status Summary:☐ THIS IS A FOLLOW UP INSPECTION☒ FOLLOW UP INSPECTION REQUIRED☐ NO FOLLOW UP INSPECTION REQUIRED**Findings:**

17 Number of Comments

9 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 |
|-----------------|----------------|--------------------------|---------|
| Ginn, Billy | (346) 237-2073 | william.ginn@hilcorp.com | |
| Wilson, Justin | (970) 878-3825 | jrwilson@blm.gov | |
| Bolton, Michael | (307) 352-5105 | mbolton@hilcorp.com | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|-----------------|-------------|
| 223402 | WELL | PR | 07/01/2022 | GW | 081-06766 | DUNCAN UNIT 1 3 | PR |

General Comment:**ECMC Inspection Report Summary**

On Tuesday, 05/07/2024, Inspector Kirby Burchett, conducted a routine field inspection at Hilcorp Energy Corp. on the Duncan Unit 1 #3 well, Location #313036, in Moffat County, Colorado.

This location is within or close proximity to a Parks & Wildlife (CPW) District with High Priority, NSO, Density, and Other Consultation 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. Incomplete tank label.
3. No tank battery sign.
4. No sign at wellhead.
5. Equipment open to wildlife.
6. Stormwater BMPs need implementation.
7. Unlabeled chemical tank.
8. Unmarked anchors.
9. Equipment storage.

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.

LocationOverall Good: ☐

| | | | |
|----------------------|--|-------|------------|
| Signs/Marker: | | | |
| Type | WELLHEAD | | |
| Comment: | No sign on wellhead | | |
| Corrective Action: | The Wellhead sign will identify: The Well name; The API Number; and Its legal location, including the quarter/quarter section. | Date: | 06/07/2024 |
| Type | OTHER | | |
| Comment: | Separator units include attached storage tanks. No form of labeling or markers are present to identify a potential hazard or the contents of the storage tank. | | |
| Corrective Action: | | Date: | |
| Type | OTHER | | |
| Comment: | As Location Entrance signs are replaced: The Well name; The Commission's Location identification number (ID #); The Operator's telephone number where it may be reached at all times; and the Telephone number(s) for local emergency services (911 where available) will be required. | | |
| Corrective Action: | | Date: | |
| Type | CONTAINERS | | |
| Comment: | Unlabeled container | | |
| Corrective Action: | Containers that are used to store, treat, or otherwise handle a hazardous material and which are required to be marked, placarded, or labeled in accordance with the U.S. Department of Transportation's Hazardous Materials Regulations, will retain the markings, placards, and labels on the Container. Such markings, placards, and labels will be retained on the Container until it is sufficiently cleaned of residue and purged of vapors to remove any potential hazards. | Date: | 05/18/2024 |
| Type | BATTERY | | |
| Comment: | No sign at tank battery | | |
| Corrective Action: | The Tank battery sign will be no less than 3 square feet and no more than 6 square feet, and will provide: Name of the Operator; Telephone number at which the Operator can be reached at all times; Telephone number for local emergency services (911 where available); The public road used to access the Tank battery site; Well name(s) and API number(s) associated with the Tank battery and the legal location of the Well(s); and Location, including the quarter/quarter section, of the Tank battery. | Date: | 06/07/2024 |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | Tank labeling missing required information | | |
| Corrective Action: | All Tanks and Containers will be labeled pursuant to Rule 605. h. (1). All Tanks with a capacity of 10 Barrels or greater will be labeled or posted with the following information: Name of Operator; Operator's emergency contact telephone number; Tank capacity; Tank contents; and NFPA label or equivalent globally harmonized label. | Date: | 05/18/2024 |

Emergency Contact Number:

Comment: 713-209-2400

Corrective Action:

Date: _____

Good Housekeeping:

| | | | |
|--------------------|--|-------|------------|
| Type | STORAGE OF SUPL | | |
| Comment: | Equipment storage | | |
| Corrective Action: | The storage, placement, or maintenance of equipment, vehicles, trailers, commercial products, chemicals, drums, totes, containers, materials, and all other supplies not necessary for use on an Oil and Gas Location is prohibited. | Date: | 05/23/2024 |
| Type | OTHER | | |
| Comment: | Equipment open to wildlife | | |

| | | | |
|--------------------|---|-------|------------|
| Corrective Action: | All stacks, vents, or other openings will be equipped with screens or other appropriate equipment to prevent entry by wildlife, including birds and bats. | Date: | 05/18/2024 |
| 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: | 05/15/2024 |

Overall Good: ☐

| | | | | | |
|----------------|------|--------|--|--|--|
| Spills: | | | | | |
| Type | Area | Volume | | | |

In Containment: No

Comment:

☐ Multiple Spills and Releases?

| | | | | |
|-----------------------------------|--|-------|------------|-----------------|
| Equipment: | | | | corrective date |
| Type: Deadman # & Marked | # 3 | | | |
| Comment: | 2 unmarked anchors | | | |
| Corrective Action: | All guy line anchors left buried for future use will be identified by a marker of bright color not less than 4 feet in height and not greater than 1 foot east of the guy line anchor. | Date: | 05/22/2024 | |
| Type: Bird Protectors | # 2 | | | |
| Comment: | | | | |
| Corrective Action: | | Date: | | |
| Type: Dehydrator | # 1 | | | |
| Comment: | | | | |
| Corrective Action: | | Date: | | |
| Type: Horizontal Heated Separator | # 1 | | | |
| Comment: | | | | |
| Corrective Action: | | Date: | | |
| Type: Ancillary equipment | # 1 | | | |
| Comment: | Chemical tank and stand | | | |
| Corrective Action: | | Date: | | |
| Type: Bradenhead | # 1 | | | |
| Comment: | | | | |
| Corrective Action: | | Date: | | |
| Type: Plunger Lift | # 1 | | | |
| Comment: | | | | |
| Corrective Action: | | Date: | | |
| Type: Gas Meter Run | # 2 | | | |
| Comment: | 1 not in use | | | |
| Corrective Action: | | Date: | | |

Tanks and Berms:

| | | | | | | |
|----------|---|----------|------|---------|--------|--|
| Contents | # | Capacity | Type | Tank ID | SE GPS | |
|----------|---|----------|------|---------|--------|--|

| | | | | | | | |
|--------------------|----------|---------------------|---------------------|-------------|---|--|-------|
| PRODUCED WATER | 1 | 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: | | Unlined | | | | | |
| 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: | 223402 | Type: | WELL | API Number: | 081-06766 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | March 2024 Production Report | | | | | | | | |
| 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 |
| | | | | | | |

Comment: Stormwater BMPs need implementation and maintenance.

Corrective Action: Provide proper Stormwater BMPs to control runoff in a manner that minimizes erosion, transport of sediment offsite, and site degradation. Vehicle tracking BMPs to control potential sediment discharges from operational roads, well pads, and other unpaved surfaces.

Date: 05/23/2024

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 |
|--------------|----------------------|---|
| 403786015 | INSPECTION SUBMITTED | https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6542728 |
| 715500009 | Inspection Photos | https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6542727 |