

**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:

05/28/2024

Submitted Date:

05/28/2024

Document Number:

715500087**FIELD INSPECTION FORM**Loc ID 315166 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:24 Number of Comments5 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
Patterson, Chris		Chris.Patterson@scoutep.com	
Regulatory, Rangely		RangelyRegulatory@scoutep.com	
Wilson, Justin	(970) 878-3825	jrwilson@blm.gov	
Sanford, Anita	(970) 551-8313	Anita.Sanford@scoutep.com	
Johnson, Mike		Mike.Johnson@scoutep.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
230357	WELL	SI	12/01/2023	GW	103-08019	HILL 7-6	SI

General Comment:**ECMC Inspection Report Summary**

On Monday, 05/28/2024, Inspector Kirby Burchett, conducted a routine field inspection at Scout Energy Management LLC on the Husky 7-6 well, Location #315166, in Rio Blanco County, Colorado.

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

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

1. Random debris.
2. Stained soil.
3. Tanks missing required information.
4. Open ended load line.

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	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:			
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:	As Wellhead signs are replaced: The Well name; The API Number; and Its legal location, including the quarter/quarter section will be required.		
Corrective Action:		Date:	
Type	BATTERY		
Comment:	Tank battery sign missing with required information		
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:	06/28/2024

Emergency Contact Number:

Comment: 970-675-3700 or 911

Corrective Action:

Date: _____

Good Housekeeping:

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:	06/05/2024

Overall Good: ☐**Spills:**

Type	Area	Volume		
Crude Oil	Separator	<= 1 bbl		
Comment:	Covered and scattered staining			
Corrective Action:	Remove and properly dispose of oily waste and impacted soil.		Date:	06/13/2024
Crude Oil	Tank	<= 1 bbl		
Comment:	Stained soil around tank			
Corrective Action:	Remove and properly dispose of oily waste and impacted soil.		Date:	06/13/2024

In Containment: Yes

Comment:

☐ Multiple Spills and Releases?

<u>Fencing/:</u>			
Type	PUMP JACK		
Comment:	Double rail with livestock panels		
Corrective Action:		Date:	
Type	IGNITOR/COMBUSTOR		
Comment:	Double rail		
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:	Double rail		
Corrective Action:		Date:	
<u>Equipment:</u>			corrective date
Type: Bird Protectors	# 3		
Comment:			
Corrective Action:		Date:	
Type: Ancillary equipment	# 1		
Comment:	Chemical tank on containment		
Corrective Action:		Date:	
Type: Emission Control Device	# 1		
Comment:			
Corrective Action:		Date:	
Type: Pump Jack	# 1		
Comment:			
Corrective Action:		Date:	
Type: Ancillary equipment	# 1		
Comment:	Propane tank		
Corrective Action:		Date:	
Type: Ancillary equipment	# 1		
Comment:	400 gal vent tank		
Corrective Action:		Date:	
Type: Vertical Heater Treater	# 1		
Comment:			
Corrective Action:		Date:	
Type: FWKO	# 1		
Comment:			
Corrective Action:		Date:	
Type: Deadman # & Marked	# 4		
Comment:			
Corrective Action:		Date:	
Type: Bradenhead	# 1		
Comment:	Double access		

Corrective Action:		Date:	
Type: Horizontal Separator	# 1		
Comment:			
Corrective Action:		Date:	
Type: Other	# 1		
Comment:	Line heater		
Corrective Action:		Date:	
Type: Prime Mover	# 1		
Comment:	Recycle		
Corrective Action:		Date:	
Type: Ancillary equipment	# 1		
Comment:	140 gal drip tank		
Corrective Action:		Date:	

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	1	400 BBLS	STEEL AST		,
Comment:	Open ended load line				
Corrective Action:	All load lines or tank valves that can be used as a load line will be capped or plugged.				Date: 06/03/2024

Paint

Condition	Adequate
Other (Content)	
Other (Capacity)	
Other (Type)	

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate			
Comment:	Unlined			
Corrective Action:			Date:	

Contents	#	Capacity	Type	Tank ID	SE GPS
CONDENSATE	1	300 BBLS	STEEL AST		,
Comment:					
Corrective Action:			Date:		

Paint

Condition	Adequate
Other (Content)	
Other (Capacity)	
Other (Type)	

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate			

Comment:		Lined					
Corrective Action:						Date:	

Contents	#	Capacity	Type	Tank ID	SE GPS	
CRUDE OIL	2	400 BBLs	STEEL AST		,	

Comment:							
Corrective Action:						Date:	

Paint

Condition	Adequate				
Other (Content)					
Other (Capacity)					
Other (Type)					

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Earth	Adequate				

Comment:		Unlined					
Corrective Action:						Date:	

Venting:

Yes/No	NO		
Comment:			
Corrective Action:			Date:

Flaring:

Type			
Comment:			
Corrective Action:			Date:

Inspected Facilities									
Facility ID:	230357	Type:	WELL	API Number:	103-08019	Status:	SI	Insp. Status:	SI
Idle Well									
Purpose: <input checked="" type="checkbox"/> Shut In <input type="checkbox"/> Temporarily Abandoned Reminder: _____									
Comment: <div>Last Production - November 2023 March 2024 Production Report</div>									
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
Berms						
				Material Handling And Spill Prevention		
		Ditches				

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
403805738	INSPECTION SUBMITTED	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6566003
715500088	Inspection Photos	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6565487