

**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:

08/19/2024

Submitted Date:

08/21/2024

Document Number:

708201524

FIELD INSPECTION FORMLoc ID 471039 Inspector Name: Edwardson, Dylan On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**

ECMC Operator Number: 10814

Name of Operator: MDS ENERGY DEVELOPMENT LLC

Address: 409 BUTLER RD SUITE A

City: KITTANNING State: PA Zip: 16201

Status Summary:

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

Findings:

10 Number of Comments

6 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
		jim.jacobsen@iptwell.com	
		kelsi.welch@iptwell.com	
SAADEH, RICHARD		richard.saadeh@mdsed.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
471039	LOCATION	AC			-	Castor 7-59 10	RI
471064	WELL	PR	11/01/2023	OW	123-50750	CASTOR 7-59 10-3-1	RI
471065	WELL	PR	11/01/2023	OW	123-50751	CASTOR 7-59 10-3-5	RI
471066	WELL	PR	11/01/2023	OW	123-50752	CASTOR 7-59 10-3-8	RI
471069	WELL	PR	12/01/2023	OW	123-50755	CASTOR 7-59 10-3-12	RI

General Comment:

This is a follow-up Interim Reclamation and Stormwater Inspection to the previous FIR (doc #708201482) conducted on 08/02/2024.

LocationOverall Good: ☐

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Good Housekeeping:

Type	WEEDS		
Comment:	Undesirable vegetation (e.g. russian thistle and kochia) was observed around wellheads. Refer to attached inspection photos.		
Corrective Action:		Date:	
Type	OTHER		
Comment:	Previous inspections have documented stained soils throughout the location, with FIR (doc #708201482) documenting stained soil near loadout lines. It does not appear that stained soil has been removed near load out lines with new observations noted. Additionally, it was observed that one of the compressors was actively leaking hydrocarbons during this inspection. ECMC Staff spoke with onsite lease operator (Alec) at the time of this inspection and pointed out the stained soil and equipment issues; the lease operator informed Staff that it was being fixed that same day. Before leaving the location, Staff observed that CSI was onsite performing maintenance on the compressor. Refer to attached inspection photos.		
Corrective Action:	Properly dispose of oily waste in accordance with Rule 905.e.	Date:	08/23/2024

Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

Comment:

☐ Multiple Spills and Releases?**Equipment:**

Type: Bird Protectors	#		corrective date
Comment:	No cover or netting was observed around open rat/mouse hole at Well API 123-50751; free fluids were observed within opening at the time of this inspection. Refer to attached inspection photos.		
Corrective Action:	Install or repair wildlife protection equipment per Rule 902.b.		Date: 08/31/2024
Type: Other	#		
Comment:	It was observed that free fluid, possibly a mixture of hydrocarbons and stormwater, was within the rat/mouse holes of Well API 123-50751. ECMC Staff spoke with onsite lease operator (Alec) to inform of the discovery within the mouse/rat hole. Refer to attached inspection photos.		
Corrective Action:	Properly dispose of oily waste in accordance with Rule 905.e.		Date: 08/18/2024
Type: Other	#		
Comment:	Subsidence was documented on previous inspections near Well API 123-50755, which appears to have been fixed. However, during this inspection it was observed that subsidence is occurring near Well APIs 123-50751 and 123-50750. ECMC Staff pointed this out to onsite lease operator (Alec) at the time of this inspection. Refer to attached inspection photos.		
Corrective Action:	Operator shall immediately ensure operations are safe and will properly install safety controls and/or backfill the observed hole/subsidence pursuant to Rule 602.c.		Date: 08/22/2024
Type: Compressor	#		
Comment:	A 5 gallon bucket outside of compressor skid does not appear to be within secondary containment. Refer to attached inspection photos.		

Corrective Action:	Comply with Rule 1002.f.(2)B to implement or modify BMPs for improved material handling and spill prevention.	Date:	08/23/2024
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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 _____ In _____

Comment _____

It was observed that topsoil was actively being imported and spread over the southeast portion of the interim areas at the time of this inspection. Operator shall submit FIRR once all topsoil has been imported to the location. This is being left "In-Process" until the location is inspected at a future date, to ensure compliance with Rule 1002.b and previous corrective actions.

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

It appears that interim reclamation activities have commenced at the time of this inspection with recontouring and topsoil importation observed. Operator shall ensure that all areas not needed for production operations are reduced in size in accordance with interim reclamation rules. Operator shall continue to monitor and manage this site until the location meets Rule 1003 standards, including stormwater and weed management. Operator shall submit a Form 4 Interim Reclamation Complete notice when the location meets Rule 1003 standards. ECOM may conduct inspections prior to receiving said notice to ensure compliance with Rule 1003. Refer to attached inspection photos.

Corrective Action

Date _____

Overall Interim Reclamation

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:		Date	
Corrective Action:			
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>Comment: <div>This location does not comply with Rule 1002.f. During this inspection, it was observed that perimeter stormwater controls appear to have been removed, including ditch and berms, and the sediment trap located on the northwest corner of the disturbance area. Additionally, there was evidence of off-location sediment transport at the northwest corner of the location, near the former sediment trap. The track out pad at the entrance does not appear to be properly functioning as it's filled with sediment and the cattle guard is under standing water. Additional stormwater control measures/BMPs are required. Refer to attached inspection photos.</div></div>						
Corrective Action: <div>Install or repair required BMPs per Rule 1002.f.(2)C.</div>						Date: 08/23/2024
Pits: <input type="checkbox"/> 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
708201542	Inspection Photos	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6673875