

**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:

10/16/2024

Submitted Date:

10/16/2024

Document Number:

715500833**FIELD INSPECTION FORM**Loc ID 313236 Inspector Name: Burchett, Kirby On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**ECMC Operator Number: 3975Name of Operator: ARGALI EXPLORATION COMPANYAddress: PO BOX 416City: RANGELY State: CO Zip: 81648**Status Summary:**☐ THIS IS A FOLLOW UP INSPECTION☒ FOLLOW UP INSPECTION REQUIRED☐ NO FOLLOW UP INSPECTION REQUIRED**Findings:**19 Number of Comments10 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 |
|-------------------|----------------|------------------------------------|---------|
| Engineering, ECMC | | dnr_cogccengineering@state.co.us | |
| Wilson, Justin | (970) 878-3825 | jrwilson@blm.gov | |
| , Inspections | | argaliexplorationcompany@gmail.com | |
| Rector, Jeff | (970) 629-2614 | jbrduco@yahoo.com | |
| Rector, Brian | (970) 629-1906 | brector1983@gmail.com | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|------------------|-------------|
| 279200 | WELL | SI | 04/01/2024 | GW | 081-07240 | FEDERAL 9-1-8-91 | SI |

General Comment:

ECMC Inspection Report Summary

On Wednesday, 10/16/2024, Inspector Kirby Burchett, conducted a routine field inspection at Argali Exploration Company on the Federal 9-1-8-91 well, Location #313236, in Moffat County, Colorado.

This location is within or in close proximity to Parks and 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. Containment open to wildlife.
3. Unlabeled tank.
4. Sign at wellhead incomplete.
5. Relief vent riser caps missing.
6. Unused equipment.
7. No sign at tank battery.
8. Open end tank valve.
9. Unmarked anchor.

Refer to Inspection Photos for observed compliance issues.

Review of production records indicate operator is delinquent in submitting monthly operations reports.

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 | 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: | 11/16/2024 |
| 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 | TANK LABELS/PLACARDS | | |
| Comment: | Operators will ensure that container and tank labels are well maintained and legible, and will replace damaged or vandalized labels within 10 days of discovery that the label is no longer legible or is damaged. | | |
| Corrective Action: | | Date: | |
| Type | WELLHEAD | | |
| Comment: | Well sign missing required information | | |
| Corrective Action: | The Wellhead sign will identify: The Well name; The API Number; and Its legal location, including the quarter/quarter section. | Date: | 11/16/2024 |
| Type | CONTAINERS | | |
| Comment: | Unlabeled container | | |
| Corrective Action: | 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: | 10/27/2024 |

Emergency Contact Number:

Comment: 970-626-1906

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: | 11/01/2024 |
| Type | WEEDS | | |
| Comment: | Maintain noxious weed control on all disturbed and reclaimed areas as a result of Oil & Gas activities including access roads. | | |
| Corrective Action: | | Date: | |
| Type | UNUSED EQUIPMENT | | |
| Comment: | Unused equipment storage | | |
| Corrective Action: | All equipment not hooked up or out of service will be removed from location. | Date: | 11/16/2024 |

Overall Good: ☐**Spills:**

| | | | | | |
|--|--|----------|-----------|------------------|------------------|
| Type | Area | Volume | | | |
| In Containment: No | | | | | |
| Comment: <input type="text"/> | | | | | |
| <input type="checkbox"/> Multiple Spills and Releases? | | | | | |
| Fencing/: | | | | | |
| Type | SEPARATOR | | | | |
| Comment: | Corral panels | | | | |
| Corrective Action: | | | Date: | | |
| Equipment: | | | | | |
| Type: Bradenhead | # 1 | | | corrective date | |
| Comment: | | | | | |
| Corrective Action: | | | Date: | | |
| Type: Plunger Lift | # 1 | | | | |
| Comment: | | | | | |
| Corrective Action: | | | Date: | | |
| Type: Ancillary equipment | # 1 | | | | |
| Comment: | Unlabeled tank in containment. Containment open to wildlife. | | | | |
| Corrective Action: | Install wildlife protection equipment. | | | Date: 11/02/2024 | |
| Type: Deadman # & Marked | # 3 | | | | |
| Comment: | 1 unmarked | | | | |
| 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: 10/31/2024 | |
| Type: Bird Protectors | # 1 | | | | |
| Comment: | | | | | |
| Corrective Action: | | | Date: | | |
| Type: Horizontal Heated Separator | # 1 | | | | |
| Comment: | Vent risers unprotected | | | | |
| Corrective Action: | Vents on pressure safety devices will terminate in a manner so as not to endanger the public or adjoining facilities. They will be designed to be clear and free of debris and water at all times. | | | Date: 10/27/2024 | |
| Type: Gas Meter Run | # 1 | | | | |
| Comment: | | | | | |
| Corrective Action: | | | Date: | | |
| Tanks and Berms: | | | | | |
| Contents | # | Capacity | Type | Tank ID | SE GPS |
| PRODUCED WATER | 1 | 400 BBLs | STEEL AST | | , |
| Comment: | Open end tank valve | | | | |
| Corrective Action: | All load lines or tank valves that can be used as a load line will be capped or plugged. | | | | Date: 10/22/2024 |
| Paint | | | | | |
| Condition | <input type="text"/> | | | | |

| | |
|------------------|--|
| Other (Content) | |
| Other (Capacity) | |
| Other (Type) | |

Berms

| | | | | |
|--------------------|----------|---------------------|---------------------|-------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Metal | Adequate | | | |
| Comment: | No liner | | | |
| Corrective Action: | | | | Date: |

Venting:

| | | | |
|--------------------|----|--|-------|
| Yes/No | NO | | |
| Comment: | | | |
| Corrective Action: | | | Date: |

Flaring:

| | | | |
|--------------------|--|--|-------|
| Type | | | |
| Comment: | | | |
| Corrective Action: | | | Date: |

| Inspected Facilities | | | | | | | | | | |
|----------------------|--------|---|------|--|-----------|-----------|----|---------------|----|------------|
| Facility ID: | 279200 | Type: | WELL | API Number: | 081-07240 | Status: | SI | Insp. Status: | SI | |
| Idle Well | | | | | | | | | | |
| Purpose: | | <input checked="" type="checkbox"/> Shut In | | <input type="checkbox"/> Temporarily Abandoned | | Reminder: | | | | |
| Comment: | | <div>Shut In - April 2024 May 2024 Production Report Review of production records indicate operator is delinquent in submitting monthly operations reports.</div> | | | | | | | | |
| Corrective Action: | | <div>Operators will report all existing oil and gas Wells that are not Plugged and Abandoned on the Form 7, Operator's Monthly Report of Operations within 45 days after the end of each month. A Well will be reported every month from the month that it is spud until it has been reported for one month as abandoned. Each formation that is completed in a Well will be reported every month from the time that it is completed until it has been abandoned and reported for one month as abandoned. The reported volumes will include all Fluids produced during Flowback, initial testing, completion, and production of the Well.</div> | | | | | | Date: | | 11/16/2024 |

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 | | | | | | |
| Drains | | | | | | |
| Gravel | | | | | | |
| | | Ditches | | | | |
| | | Gravel | | | | |
| | | | | Material Handling And Spill Prevention | Fail | Unlabeled tank. Containment open to wildlife. |

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 |
|--------------|-------------------|---|
| 715500834 | Inspection Photos | https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6749508 |