

State of Colorado
Energy & Carbon Management Commission



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Document Number:
404029588

Date Received:
12/16/2024

FIR RESOLUTION FORM

Overall Status:

CA Summary:

3 of 7 CAs from the FIR responded to on this Form

- 1 CA Completed
- 2 Factual Review Request

OPERATOR INFORMATION

ECMC Operator Number: <u>10797</u>	Contact Name and Telephone:
Name of Operator: <u>DESERT EAGLE OPERATING LLC</u>	Name: _____
Address: <u>17330 PRESTON RD STE 200D-208</u>	Phone: () Fax: ()
City: <u>DALLAS</u> State: <u>TX</u> Zip: <u>75252</u>	Email: _____

Additional Operator Contact:

Contact Name	Phone	Email
<u>Butler, Brad</u>	<u>972-345-9195</u>	<u>butleroil@yahoo.com</u>
<u>Bulf, Cathy</u>		<u>cathybulf@gmail.com</u>
<u>ECMC Enforcement</u>		<u>dnr_ecmcenforcement@state.co.us</u>
<u>Brandon Parks</u>		<u>bparks33@gmail.com</u>
<u>Sanchez, Chris</u>		<u>chris.sanchez@state.co.us</u>

ECMC INSPECTION SUMMARY:

FIR Document Number: 713601698

Inspection Date: 12/04/2024 FIR Submit Date: 12/13/2024 FIR Status: _____

Inspected Operator Information:

Company Name: DESERT EAGLE OPERATING LLC Company Number: 10797

Address: 17330 PRESTON RD STE 200D-208

City: DALLAS State: TX Zip: 75252

LOCATION - Location ID: 484357

Location Name: Red Rocks Number: 1-14 County: _____

Qtrqtr: NENW Sec: 1 Twp: 30S Range: 55W Meridian: 6

Latitude: 37.465273 Longitude: -103.526247

FACILITY - API Number: 05-071- -00 Facility ID: 484357

Facility Name: Red Rocks Number: 1-14

Qtrqtr: NENW Sec: 1 Twp: 30S Range: 55W Meridian: 6

Latitude: 37.465273 Longitude: -103.526247

CORRECTIVE ACTIONS:

2 CA# 201047

Corrective Action: _____ Date: 12/13/2024

Implement or modify BMPs for improved material handling and spill prevention. Immediately clean up area. 24-48 hours to implement improved procedures. 1002.f. (2)B. Comply with permit BMP/COA's.

Response: CA COMPLETED

Date of Completion: 12/16/2024

Operator Comment: Areas identified where equipment and/or containers had spilled fluid have been cleaned up. Containers without secondary confinement have been removed from location. Spill prevention and control review provided to field personnel.

ECMC Decision: _____

ECMC Representative: _____

3 CA# 201048

Corrective Action: Install sign to comply with Rule 605.c.

Date: 12/18/2024

Response: FACTUAL REVIEW REQUEST

Basis for Review: Action requested was already completed prior to the inspection

Operator Comment: This is a workover. Pursuant to Rule 605.c. c. Drilling, Hydraulic Fracturing Treatment, Flowback, and Recompletion Operations, no signage is required for a workover.. Form 4 and Form 42, copies attached, were approved by ECMC staff for this workover operation.

ECMC Decision: _____

ECMC Representative: _____

5 CA# 201050

Corrective Action: E&P Waste not properly stored, handled, transported, treated, recycled, or disposed per Rule 905. Contact ECMC EPS staff.

Date: 12/16/2024

Response: FACTUAL REVIEW REQUEST

Basis for Review: Action requested was already completed prior to the inspection

Operator Comment: No E&P waste has been transported from the Red Rocks 1-14 location. The drill cutting containment unit, or "dust buster", located on the RR 1-14 location was modified from a four compartment containment unit originally used to haul fracing sand. DEO personnel modified and tested the unit on private land away from DEO operated oil and gas leases. For testing purposes, the unit was hooked up to the water well sized drilling rig and a shallow hole of approximately 300' was air drilled. Those resulting cuttings were contained in the dust buster. To test the conveyor disposal system, the dry cuttings were off loaded onto the dirt road on private property to assist in maintaining the road and address rutting. The testing was undertaken to assure the effectiveness of the unit in capturing drill cuttings on oil and gas leases to prevent the drill cuttings migration from wind as seen on drilling locations in the area. DEO submitted a Form 4 and received permission for a workover on the Red Rocks 1-14, copy attached. The dust buster was brought to location be used in the event the workover produced any debris. During the operations DEO field personnel unfamiliar with all of the controls on the dust buster engaged the wrong lever and caused the bottom disposal hatch to momentarily open in one of the containment compartments. Less than a barrel of cuttings in the compartment migrated to the ground. This red soil has been removed. Upon completion of the workover on the RR 1-14, and out of an abundance of caution, DEO will take the dust buster to the Trinidad Landfill and completely empty it of any debris that may be in the unit. DEO has implemented additional training of field personnel on the operation of the dust buster, material handling and spill prevention, and general housekeeping rules.

ECMC Decision: _____

ECMC Representative: _____

OPERATOR COMMENT AND SUBMITTAL

Comment:

Two factual reviews are being requested, however, none of the available reasons seemed to fit; therefore, 'action requested was already completed prior to the inspection' was chosen to allow for the submittal of the FIRR. 1) Red soil viewed on private land from C.R. 179 by the ECMC Inspector did not come from the Red Rocks 1-14 location but came from the private land. No soil was transported to private land from Red Rocks locations. DEO disposes drill cuttings and stained soil at the Trinidad Landfill. 2) There are no drilling location signs as this is not a drilling activity but a workover that does not require drilling locations signs, Rule 605.c. DEO has implemented additional training for new and established personnel for spill/release prevention and control. Tarps are being installed under the rig and the cuttings containment unit to prevent potential contamination of the soils from the E&P activities. Personnel have been directed to utilize proper secondary containment for any liqued containers on locations.

I hereby certify that the statements made in this form are, to the best of my knowledge, true, correct, and complete.

Print Name: Cathy Bulf

Signed: _____

Title: Manager

Date: 12/16/2024 6:12:05 PM

ATTACHMENT LIST

View Attachments in Imaged Documents on ECMC website (<http://ecmcweblink.state.co.us/>) - Search by Document Number.

<u>Document Number</u>	<u>Description</u>
404030022	Form 4
404030023	Form 42

Total Attach: 2 Files