

**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:

12/04/2024

Submitted Date:

12/13/2024

Document Number:

713601698**FIELD INSPECTION FORM**Loc ID 484357 Inspector Name: COSTA, RYAN On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**ECMC Operator Number: 10797Name of Operator: DESERT EAGLE OPERATING LLCAddress: 17330 PRESTON RD STE 200D-208City: DALLAS State: TX Zip: 75252**Status Summary:**☐ THIS IS A FOLLOW UP INSPECTION☒ FOLLOW UP INSPECTION REQUIRED☐ NO FOLLOW UP INSPECTION REQUIRED**Findings:**12 Number of Comments7 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
ECMC Enforcement		dnr_ecmcenforcement@state.co.us	
Sanchez, Chris		chris.sanchez@state.co.us	
Bulf, Cathy		cathybulf@gmail.com	
Butler, Brad	972-345-9195	butleroil@yahoo.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
484674	WELL	PR	11/28/2023	HE	071-09928	Red Rocks 1-14	RI

General Comment:

This is a reclamation inspection at the Red Rocks #1-14 wellsite.
See attached photos and additional details within this report.

LocationOverall Good: ☐

Signs/Marker:			
Type	DRILLING/RECOMP		
Comment:	There is drilling activities occurring and no signage was posted.		
Corrective Action:	Install sign to comply with Rule 605.c.	Date:	12/18/2024
Type	WELLHEAD		
Comment:	No sign was installed at the location.		
Corrective Action:	Install sign to comply with Rule 605.d.	Date:	01/13/2025

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Good Housekeeping:

Type	OTHER		
Comment:	There were multiple fuel and oil containers not properly stored within secondary containment. There were multiple areas where equipment and/or containers had spilled fluid onto the surface. There was no liner and containment under the drilling equipment.		
Corrective Action:	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.	Date:	12/13/2024
Type	OTHER		
Comment:	There was an audible gas leak at the wellhead which was reported to an employee onsite.		
Corrective Action:		Date:	

Overall Good: ☐

Spills:			
Type	Area	Volume	
	WELLHEAD		
Comment:	There was oil stained soils at the wellhead where the drilling rig was parked. The leak stained the soils approximately 40 ft. from the wellhead area.		
Corrective Action:	Control and contain spills/releases and clean up per Rule 912.a. Immediately clean up area. 24-48 hours to implement improved procedures. 1002.f.(2)B.	Date:	12/13/2024

In Containment: No

Comment:

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

Yes/No			
Comment:			
Corrective Action:		Date:	

Flaring:

Type		
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Comment:			
Corrective Action:		Date:	

Environmental					
Waste Management:					
Type	Management	Condition	GPS (Lat) (Long)		
Drill Cuttings Oily		Inadequate			
Comment	There was red drill cuttings observed at the wellsite that had spilled onto the surface at the red/white trailer. This same red drill cuttings material was also observed at the Operator's property located 4.5 miles south of this wellsite. It appears E&P waste was not properly disposed and was spread along the Operators road which was observed from CR 179 at Lat/Long:37.40116,-103.51736. This red material has only been observed in the drill cuttings and is not present in the area soils. Operator will need to report and remediate areas of spilled, mishandled E&P waste.				
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
Spill/Remediation:					
Comment:					
Corrective Action:				Date:	
Emission Control Burner (ECB):					
Comment:					
Pilot:	Wildlife Protection Devices (fired vessels):				

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
SEGREGATION _____

Comment _____

Corrective Action _____ Date _____

1002c. PROTECTION OF SOILS _____ Fail _____

Comment [Soils on the location are not being protected from contamination, compaction, or erosion.](#)

Corrective Action _____ Date _____

1002E. SURFACE DISTRURBANCE 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? Fail 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? Fail
- Production areas have been stabilized? _____ Segregated soils have been replaced? _____

RESTORATION AND REVEGETATION

Cropland

Top soil replaced _____ Recontoured _____ Perennial forage re-established _____

Non-Cropland

Top soil replaced _____ Recontoured _____ 80% Revegetation Fail

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 Interim reclamation is not progressing at the location or along the flowline disturbance area. There was recent drilling activities performed at the location and soils are now compacted. The flowline disturbance has not established vegetation but soils appear to have been reseeded. The are still vehicle tracks along the flowline which is creating unnecessary disturbance. The disturbed soils need to be stabilized until vegetation establishes with the use of BMP's such as (straw mulch, hydromulch, ect.) All soil decompaction, reclamation, and stabilization will need to be completed before the upcoming growing season.

Corrective Action Comply with 1003 Rules.

Date _____

Overall Interim Reclamation Fail

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 _____

Inspector Name: COSTA, RYAN

Comment:					
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:	The perimeter stormwater controls are not maintained and are displaced. The wattles have been driven over and damaged.				
Corrective Action:	Install or repair required BMPs per Rule 1002.f.(2)C				
					Date: 12/16/2024
Pits: <input checked="" type="checkbox"/> NO SURFACE INDICATION OF PIT					

ECMC Comments		
Comment	User	Date
FACTUAL REVIEW REQUEST#404029588 SUBMITTED ON 12/16/2024. RESPONSE: CA# 201048 - Per the Operator form 42 notice, drilling activities were occurring at the wellsite and a drill rig was observed on location at the time of inspection. This FACTUAL REVIEW REQUEST is DENIED.	CostaR	12/19/2024
FACTUAL REVIEW REQUEST#404029588 SUBMITTED ON 12/16/2024. RESPONSE: CA# 201050 - Inspection #713601698 observed the same type of formation drill cuttings at the wellsite as observed at Lat/Long:37.40116,-103.51736. The drill cuttings are considered E&P waste and must be handled per Rule 905. The Operator's written statement within the FIRR is exposing other possible rule violations that will be investigated. This FACTUAL REVIEW REQUEST is DENIED.	CostaR	12/19/2024

Attached Documents

You can go to ECMC Images (<https://ecmc.state.co.us/weblink/>) and search by document number:

Document Num	Description	URL
404028414	INSPECTION SUBMITTED	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6824372
713601699	Inspection Photos	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6824371