

**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:

03/31/2025

Submitted Date:

03/31/2025

Document Number:

715501481

FIELD INSPECTION FORMLoc ID 312974 Inspector Name: Burchett, Kirby On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**

ECMC Operator Number: 3975

Name of Operator: ARGALI EXPLORATION COMPANY

Address: PO BOX 416

City: RANGELY State: CO Zip: 81648

Status Summary:☐ THIS IS A FOLLOW UP INSPECTION☒ FOLLOW UP INSPECTION REQUIRED☐ NO FOLLOW UP INSPECTION REQUIRED**Findings:**

17 Number of Comments

7 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
Rector, Brian	(970) 629-1906	brector1983@gmail.com	
Ikenouye, Teri		teri.ikenouye@state.co.us	
, Inspections		argaliexplorationcompany@gmail.com	
Rector, Jeff	(970) 629-2614	jbrduco@yahoo.com	
Haverkamp, Curtis	(720) 786-5560	curtis.haverkamp@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
223121	WELL	PR	02/01/2024	GW	081-06483	N.E. CRAIG STATE 8-27	PR

General Comment:**ECMC Inspection Report Summary**

On Monday, 03/31/2025, Inspector Kirby Burchett, conducted a routine field inspection at Argali Exploration Company on the N.E. Craig State 8-27 well, Location #312974, in Moffat County, Colorado.

This location is within or in close proximity to a Colorado 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. Well sign missing required information.
3. Inadequate chemical containment.
4. Unlabeled production tank.
5. Open end valves on production tank.
6. No sign at tank battery.
7. Tank berm inadequate.

Refer to Inspection Photos for observed compliance issues.

*Review of production records indicates operator is delinquent in submitting a monthly Form 7

A follow up on this site inspection will be conducted to ensure all compliance issues have been corrected to comply with ECMC rules.

Location				
Overall Good: <input type="checkbox"/>				
Signs/Marker:				
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:	Faded and illegible			
Corrective Action:	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.		Date:	04/11/2025
Type	CONTAINERS			
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	BATTERY			
Comment:	No sign			
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:	05/01/2025
Type	WELLHEAD			
Comment:	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:	04/01/2025
Emergency Contact Number:				
Comment:	(970) 629-1906			Date:
Corrective Action:				
Good Housekeeping:				
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	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:	04/07/2025
Overall Good: <input type="checkbox"/>				
Spills:				
Type	Area	Volume		

In Containment: No

Comment: ☐ Multiple Spills and Releases?**Fencing/:**

Type	LOCATION		
Comment:	Livestock and barbed wire		
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:	Top pipe rail and livestock wire		
Corrective Action:		Date:	

Equipment:

			corrective date
Type: Gas Meter Run	# 1		
Comment:			
Corrective Action:		Date:	
Type: Flow Line	# 1		
Comment:	Gas pipe line to tank		
Corrective Action:		Date:	
Type: Horizontal Heated Separator	# 1		
Comment:			
Corrective Action:		Date:	
Type: Deadman # & Marked	# 4		
Comment:			
Corrective Action:		Date:	
Type: Bird Protectors	# 1		
Comment:			
Corrective Action:		Date:	
Type: Ancillary equipment	# 2		
Comment:	Chemical tanks lacking containment		
Corrective Action:	Repair or install berms or other secondary containment devices.		Date: 04/06/2025
Type: Bradenhead	# 1		
Comment:			
Corrective Action:		Date:	
Type: Plunger Lift	# 1		
Comment:			
Corrective Action:		Date:	

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS	
CONDENSATE	1	300 BBLS	STEEL AST		,	

Comment:	Evidence of rust pitting. Out of service? All equipment not hooked up or out of service will be removed from location. Open end tank valves.	
Corrective Action:	All load lines or tank valves that can be used as a load line will be capped or plugged.	Date: 04/06/2025

Paint

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

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Inadequate			
Comment:	Approximate 25 ft x 25 ft with 1 ft of depth Secondary containment is inadequate to contain 150% of the volume of the tank.			
Corrective Action:	Repair or install berms or other secondary containment devices.			Date: 05/01/2025

Venting:

Yes/No	NO		
Comment:			
Corrective Action:			Date:

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Inspected Facilities									
Facility ID:	223121	Type:	WELL	API Number:	081-06483	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	December 2024 Production Report January 2025 report was due March 15, 2025 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.								
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

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
715501482	Inspection Photos	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6984885