

State of Colorado  
Energy & Carbon Management Commission

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Receive Date:

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Report taken by:

**Site Investigation and Remediation Workplan (Supplemental Form)**

This form shall be submitted to the Director for approval prior to the initiation of site investigation and remediation activities. However, this shall not preclude the Operator from taking immediate action to protect public health or safety, the environment, wildlife, or livestock.

This Form 27 describes site conditions as currently understood by the Operator; approval of this Form 27 by ECMC is based on the site conditions accurately described herein; any changes in site conditions identified during or subsequent to the performance of the approved workplan may necessitate additional investigation or remediation which shall be described on a supplemental Form 27.

This Form 27 is intended to provide basic information regarding the proposed site investigation and remediation actions, but the workplan may be more fully described in attached documentation.

Closure request is not available for an Initial Site Investigation and Remediation Workplan.

**OPERATOR INFORMATION**

Name of Operator: <u>BLUE CHIP OIL INC</u>	Operator No: <u>8840</u>	<b>Phone Numbers</b>
Address: <u>155 E BOARDWALK DR STE 400</u>		Phone: <u>(970) 4936456</u>
City: <u>FORT COLLINS</u> State: <u>CO</u> Zip: <u>80525</u>		Mobile: <u>( )</u>
Contact Person: <u>Tim Hager</u>	Email: <u>tim@bluechipoil.com</u>	

**PROJECT, PURPOSE & SITE INFORMATION**

**PROJECT INFORMATION**

Remediation Project #: 42853 Initial Form 27 Document #: 404202934

**PURPOSE INFORMATION**

- Rule 913.c.(1): Pit or Cuttings Trench closure.
- Rule 913.c.(2): Buried or partially buried vessel closure, which will be by removal.
- Rule 913.c.(3): Remediation of Spill and Releases pursuant to Rule 912.
- Rule 913.c.(4): Land treatment of Oily Waste pursuant to Rule 905.e.
- Rule 913.c.(5): Closure of Centralized E&P Waste Management Facilities pursuant to Rule 907.h.
- Rule 913.c.(6): Remediation of impacted Groundwater pursuant to Rule 915.e.(3).D, and the contaminant concentrations in Table 915-1.
- Rule 913.c.(7): Investigation and remediation of natural gas in soil or Groundwater.
- Rule 913.c.(8): When requested by the Director due to any potential risk to soil, Groundwater, or surface water.
- Rule 913.c.(9): Decommissioning of Oil and Gas Facilities.
- Rule 913.g: Changes of Operator.
- Rule 915.b: Request to leave elevated inorganics in situ.
- Other: \_\_\_\_\_

**SITE INFORMATION**

No Multiple Facilities

Facility Type: <u>LOCATION</u>	Facility ID: <u>302896</u>	API #: _____	County Name: <u>WELD</u>
Facility Name: <u>MORALES-63N68W 12NWNE</u>	Latitude: <u>40.246360</u>	Longitude: <u>-104.948830</u>	
	** correct Lat/Long if needed: Latitude: <u>40.246447</u>	Longitude: <u>-104.951067</u>	
QtrQtr: <u>NWNE</u>	Sec: <u>12</u>	Twps: <u>3N</u>	Range: <u>68W</u> Meridian: <u>6</u> Sensitive Area? <u>Yes</u>

**SITE CONDITIONS**

General soil type - USCS Classifications CL Most Sensitive Adjacent Land Use Agriculture, Pasture

Is domestic water well within 1/4 mile? No Is surface water within 1/4 mile? Yes

Is groundwater less than 20 feet below ground surface? No

**Other Potential Receptors within 1/4 mile**

Freshwater Pond 0.23mi SW  
Freshwater Emergent Wetland 0.23mi SW  
Residential 0.2mi NE, 0.23mi W  
Farm Structure 0.21/0.23mi N, 0.22/0.23mi W, 0.25mi SE

**SITE INVESTIGATION PLAN**

**TYPE OF WASTE:**

- E&P Waste
- Produced Water
- Oil
- Condensate
- Drilling Fluids
- Drill Cuttings
- Other E&P Waste
- Workover Fluids
- Tank Bottoms
- Pigging Waste
- Rig Wash
- Spent Filters
- Pit Bottoms
- Other (as described by EPA)
- Non-E&P Waste
- No Waste Generated \_\_\_\_\_

**DESCRIPTION OF IMPACT**

Impacted?	Impacted Media	Extent of Impact	How Determined
UNDETERMINED	GROUNDWATER	NA	Lab Analysis if Encountered
UNDETERMINED	SOILS	NA	Lab Analysis

**INITIAL ACTION SUMMARY**

Description of initial action or emergency response measures take to abate, investigate, and/or remediate impacts associated with E&P Waste.

Pursuant to ECOM Rule 911 a site investigation will be conducted pertaining to the MORALES 31-12 and Morales 32-12 Production Facility.

**PROPOSED SAMPLING PLAN**

**Proposed Soil Sampling**

Will soil samples be collected as part of this investigation? ( Number, type (grab/composite), analyses, and locations of samples ):

Grab confirmation soil samples will be collected from the Tanks, PBV walls and floor, and under the separator. Additional field screening will take place at any excavation. Soil samples will be analyzed by a certified laboratory for TPH (total volatile [C6-C10] and extractable [C10-C36] hydrocarbons), organic compounds in soil per COGCC Table 915-1, Metals, EC, SAR, pH, and boron.

**Proposed Groundwater Sampling**

Will groundwater samples be collected as part of this investigation? ( Number, analyses, and locations of samples ):

If groundwater is encountered during the site investigation, a grab groundwater sample will be collected and analyzed for all organic compounds per COGCC Table 915-1.

**Proposed Surface Water Sampling**

Will surface water samples be collected as part of this investigation? ( Number, analyses, and locations of samples ):

**Additional Investigative**

**Actions**

Additional alternative investigative actions described in attached Site Investigation Plan ( summary ):

Visual inspection of the location and equipment will occur during abandonment activities. Field personnel will field screen all disturbed areas using visual and olfactory senses to determine if additional laboratory confirmation sampling is required. A photolog will be submitted on the subsequent Form 27.

**SITE INVESTIGATION REPORT**

## **SAMPLE SUMMARY**

### **Soil**

Number of soil samples collected 16  
Number of soil samples exceeding 915-1 16  
Was the areal and vertical extent of soil contamination delineated? No  
Approximate areal extent (square feet) 0

### **NA / ND**

ND Highest concentration of TPH (mg/kg) \_\_\_\_\_  
Highest concentration of SAR 11.79  
BTEX > 915-1 No  
Vertical Extent > 915-1 (in feet) 0

### **Groundwater**

Number of groundwater samples collected 0  
Was extent of groundwater contaminated delineated? No  
Depth to groundwater (below ground surface, in feet) \_\_\_\_\_  
Number of groundwater monitoring wells installed \_\_\_\_\_  
Number of groundwater samples exceeding 915-1 \_\_\_\_\_

Highest concentration of Benzene (µg/l) \_\_\_\_\_  
Highest concentration of Toluene (µg/l) \_\_\_\_\_  
Highest concentration of Ethylbenzene (µg/l) \_\_\_\_\_  
Highest concentration of Xylene (µg/l) \_\_\_\_\_  
Highest concentration of Methane (mg/l) \_\_\_\_\_

### **Surface Water**

0 Number of surface water samples collected  
0 Number of surface water samples exceeding 915-1  
If surface water is impacted, other agency notification may be required.

## **OTHER INVESTIGATION INFORMATION**

Were impacts to adjacent property or offsite impacts identified?

Were background samples collected as part of this site investigation?

Four background samples were collected and sampled at depths of 18" and 4'. One sample was NE and one sample is SE of the battery, one near the Morales 31 wellhead and one near the Morales 32 wellhead. All background samples were used to provide a basis to compare with the collected samples on the disturbed areas utilized by oil and gas operations.

Was investigation derived waste (IDW) generated as part of this investigation?

Volume of solid waste (cubic yards) \_\_\_\_\_ Volume of liquid waste (barrels) \_\_\_\_\_

Is further site investigation required?

## **REMEDIAL ACTION PLAN**

Does this Supplemental Form 27A include changes to a previously approved Remedial Action Plan? No

### **SOURCE REMOVAL SUMMARY**

Describe how source is to be removed.

No source has been generated at this time

### **REMEDIATION SUMMARY**

Describe how remediation of existing impacts to soil and groundwater is to be accomplished (i.e. summarize remedial action plan). Provide a brief narrative description including: technical justification, schedule for implementation, estimated time to attain NFA status, plus plans and specifications for the selected remedial action technology.

NA

### **Soil Remediation Summary**

In Situ

Ex Situ

\_\_\_\_\_ Bioremediation ( or enhanced bioremediation )

\_\_\_\_\_ Excavate and offsite disposal

\_\_\_\_\_ Chemical oxidation  
\_\_\_\_\_ Air sparge / Soil vapor extraction  
\_\_\_\_\_ Natural Attenuation  
\_\_\_\_\_ Other \_\_\_\_\_

If Yes: Estimated Volume (Cubic Yards) \_\_\_\_\_  
Name of Licensed Disposal Facility or ECMC Facility ID # \_\_\_\_\_  
\_\_\_\_\_ Excavate and onsite remediation  
\_\_\_\_\_ Land Treatment  
\_\_\_\_\_ Bioremediation (or enhanced bioremediation)  
\_\_\_\_\_ Chemical oxidation  
\_\_\_\_\_ Other \_\_\_\_\_

**Groundwater Remediation Summary**

\_\_\_\_\_ Bioremediation ( or enhanced bioremediation )  
\_\_\_\_\_ Chemical oxidation  
\_\_\_\_\_ Air sparge / Soil vapor extraction  
\_\_\_\_\_ Natural Attenuation  
\_\_\_\_\_ Other \_\_\_\_\_

**GROUNDWATER MONITORING**

If groundwater has been impacted, describe proposed monitoring plan, including # of wells or sample points, monitoring schedule, analytical methods, points of compliance. Attach a groundwater monitoring location diagram.

# REMEDIATION PROGRESS UPDATE

## PERIODIC REPORTING

### Approved Reporting Schedule:

Quarterly     Semi-Annually     Annually     Other    One time within 90 days of Laboratory Analytical. Quarterly if impacts are present.

### Request Alternative Reporting Schedule:

Semi-Annually     Annually     Other    \_\_\_\_\_

### Rule 913.e:

After initial approval of a Form 27, the Operator will provide quarterly update reports in a Supplemental Form 27 to document progress of site investigation and remediation, unless an alternative reporting schedule has been requested by the Operator and approved by the Director. The Director may request a more frequent reporting schedule based on site-specific conditions.

Report Type:     Groundwater Monitoring     Land Treatment Progress Report     O&M Report  
 Other \_\_\_\_\_

## Adequacy of Operator's General Liability Insurance and Financial Assurance

Describe the adequacy of the Operator's general liability insurance and Financial Assurance to fully address the anticipated costs of Remediation, including the estimated remaining cost for this project (below).  
If this information has been provided on a Form 27 within the last 12 months, provide the Document Number of that form.

Operator is in compliance with Rule 702 bonding requirements and is properly insured per Rule 705.

Operator anticipates the remaining cost for this project to be: \$ 5000 \_\_\_\_\_

## WASTE DISPOSAL INFORMATION

Was E&P waste generated as part of this remediation? No

Describe beneficial use, if any, of E&P Waste derived from this remediation project:

\_\_\_\_\_

Volume of E&P Waste (solid) in cubic yards \_\_\_\_\_

E&P waste (solid) description \_\_\_\_\_

ECMC Disposal Facility ID #, if applicable: \_\_\_\_\_

Non-ECMC Disposal Facility: \_\_\_\_\_

Volume of E&P Waste (liquid) in barrels \_\_\_\_\_

E&P waste (liquid) description \_\_\_\_\_

ECMC Disposal Facility ID #, if applicable: \_\_\_\_\_

Non-ECMC Disposal Facility: \_\_\_\_\_

## REMEDIATION COMPLETION REPORT

### REMEDIATION COMPLETION SUMMARY

Is this a Final Closure Request for this Remediation Project? Yes

If YES:

- Compliant with Rule 913.h.(1).  
 Compliant with Rule 913.h.(2).  
 Compliant with Rule 913.h.(3).

Do all soils meet Table 915-1 standards? No

Does the previous reply indicate consideration of background concentrations? \_\_\_\_\_

Does Groundwater meet Table 915-1 standards? Yes

Is additional groundwater monitoring to be conducted? \_\_\_\_\_

Operator shall comply with the ECMC 1000-Series Reclamation Requirements for all impacted and disturbed areas.

## RECLAMATION PLAN

### RECLAMATION PLANNING

Describe reclamation plan. Discuss existing and new grade recontouring; method and testing of compaction alleviation; and reseeding program, including location of new seed, seed mix and noxious weed prevention. Attach diagram or drawing.

Reclamation will be in completed accordance with the requests of the land owner, any agreements and contracts related to the surface use, and in accordance with COGCC 1000 Series Rules where applicable. Land owner vowed to return the disturbed area to match the surrounding pasture and intends to plan alfalfa as a pasture crop for livestock.

Is the described reclamation complete? No \_\_\_\_\_

Does the reclamation described herein constitute interim or final reclamation of the Oil and Gas Location?

Interim  Final

Did the Surface Owner provide the seed mix? Yes \_\_\_\_\_

If YES, does the seed mix comply with local soil conservation district recommendations? No \_\_\_\_\_

Did the local soil conservation district provide the seed mix? No \_\_\_\_\_

### SITE RECLAMATION DATES

Proposed date of commencement of Reclamation. 06/30/2025

Proposed date of completion of Reclamation. 06/30/2026

## IMPLEMENTATION SCHEDULE

Per Rule 913.d.(2): Any change from the approved implementation schedule will be requested at least 14 days in advance, and the Operator may not make the change without the Director's approval.

### PRIOR DATES

Date of Surface Owner notification/consultation, if required. 04/28/2025

Actual Spill or Release date, or date of discovery. \_\_\_\_\_

### SITE INVESTIGATION DATES

Date of Initial Actions described in Site Investigation Plan (start date). 11/06/2025

Proposed site investigation commencement. 06/02/2025

Proposed completion of site investigation. 06/02/2025

### REMEDIAL ACTION DATES

Proposed start date of Remediation. \_\_\_\_\_

Proposed date of completion of Remediation. \_\_\_\_\_

Per Rule 913.d.(2): Any change from the approved implementation schedule will be requested at least 14 days in advance, and the Operator may not make the change without the Director's approval.

Change from approved implementation schedule per Rule 913.d.(2).

Basis for change in implementation schedule:

\_\_\_\_\_

**OPERATOR COMMENT**

All oil and gas production equipment on the battery location has been removed and all production lines on this location were also excavated and removed.

Arsenic exceeds Table 915 in a range from 4.06 to 6.81 mg/kg and the background concentration is ranges from 5.51 to 7.75 mg/kg, thus the arsenic levels exceeding Table 915 are understood to be naturally occurring.

Sample ID M-SEP @ 18" has some slight exceedances of Table 915 of SAR at 11.79 (though EC is low) and Boron at 2.2 mg/l. Background samples seem to be slightly elevated in BK2 and BK4 in the same constituents. SAR in BK4 measured as high at 7.45 naturally, and BK2 had boron at 1.69 mg/l x 1.25 is 2.11 which is just below the reported 2.2 mg/l. The landowner intends to plan alfalfa which is absorbent to boron and requires some availability for proper nutrient development. Blue Chip intends to monitor reclamation and re-evaluate the soils if impacts show detrimental effects to revegetation efforts. Blue Chip does not interpret the reported results as a spill or release at the time of the filing of this report.

**COAs Addressed:**

Operator shall report annually AND within 90 days of work BEGINNING. Once work commences, Operator will adopt a quarterly reporting schedule (every 90 days). ECMC has selected 'Annually' under the Approved Reporting Schedule.  
-Work commenced on 11/6 and this report was submitted 12/23/2025 (within 90 days)

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

Signed: Ryan Dornbos

Title: Petroleum Engineer

Submit Date: \_\_\_\_\_

Email: Ryan@PEOperating.com

Based on the information provided herein, this Application for Site Investigation and Remediation Workplan complies with ECMC Rules and applicable orders and is hereby approved.

ECMC Approved: \_\_\_\_\_

Date: \_\_\_\_\_

Remediation Project Number: 42853

**COA Type****Description**

COA Type	Description
0 COA	

**ATTACHMENT LIST**

Upon approval, the approved Form 27 and all listed attachments will be indexed to the Remediation Project file. Only the approved Form 27 will also be indexed to the related Facilities.

**Att Doc Num****Name**

404485537	MAP
404485543	PHOTO DOCUMENTATION
404486867	ANALYTICAL RESULTS
404486868	ANALYTICAL DATA SUMMARY TABLE(S)

Total Attach: 4 Files

**General Comments****User Group****Comment****Comment Date**

User Group	Comment	Comment Date
		Stamp Upon Approval

Total: 0 comment(s)