

**FORM
INSP**

Rev
X/20

**State of Colorado
Energy and Carbon Management Commission**

1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109



Inspection Date:

03/11/2026

Submitted Date:

03/18/2026

Document Number:

721100232

FIELD INSPECTION FORM

Loc ID 312052 Inspector Name: Blair, Jamie On-Site Inspection 2A Doc Num: _____

Status Summary:

- THIS IS A FOLLOW UP INSPECTION
- FOLLOW UP INSPECTION REQUIRED
- NO FOLLOW UP INSPECTION REQUIRED

Operator Information:

ECMC Operator Number: 10133
Name of Operator: HILCORP ENERGY COMPANY
Address: P O BOX 61229
City: HOUSTON State: TX Zip: 77208

Findings:

- 25 Number of Comments
- 11 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
General		FarmingtonRegulatoryTechs@hilcorp.com	All SW field inspections
Blair, Jamie		jamie.blair@state.co.us	
Labowskie, Steve		steve.labowskie@state.co.us	
Kosola, Jason		jason.kosola@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
216500	WELL	PR	01/01/2003	CBM	067-08106	ANIMAS 34-10 36-1	PR
297003	WELL	PR	02/01/2011	CBM	067-09593	ANIMAS 34-10 36-1A	PR
297004	WELL	PR	05/01/2021	CBM	067-09594	ANIMAS 34-10 36-2A	PR

General Comment:

On Wednesday March 11, 2026 at 14:55 hours, southwest compliance specialist Jamie Blair performed a training inspection and audit on this location. The location contains three producing wells. Jamie Blair asked Southwest Compliance Supervisor Steve Labowskie for consultation regarding a possible spill at 36-1A, so on Tuesday March 17, 2026 at ~10:30 AM, Mr. Blair and Mr. Labowskie met on site. Additional corrective actions were identified during the consultation. Inspection photos are included as an attachment to this report, as is a video of a produced water leak on 36-1 that was observed on 3/17/26.

Follow up with Environmental Protection Specialist Jason Kosola regarding filing a Form 19 for the potential spill at 36-1A.

Location			
Overall Good: <input checked="" type="checkbox"/>			
Signs/Marker:			
Type	WELLHEAD		
Comment:	One at each wellhead. See photos 1, 2, and 3.		
Corrective Action:		Date:	
Emergency Contact Number:			
Comment:	(505) 324-5170 or 911 on each sign.		
Corrective Action:			
Good Housekeeping:			
Type	OTHER		
Comment:	Mineral encrusted soil from leaking wellhead 36-1 and 36-1A. Photos 7, 8, 13, 14.		
Corrective Action:	Remove mineral crusted soil to comply with 1002.f.(2).D	Date:	04/01/2026
Type	UNUSED EQUIPMENT		
Comment:	Various pieces of expanded metal heat guards or wildlife screen, metal panels, pipe segments at pumpjack locations. Photo 43, 45 are examples. Additional instances occur.		
Corrective Action:	Remove or return to service to comply with 606	Date:	04/01/2026
Type	OTHER		
Comment:	Stained soil from lube tank hose leak and discharge from drain hole in concrete pump jack foundation. Lube oil tank drain plug leak. Photos 19 and 20. Photo 33, 39.		
Corrective Action:	Remove stained soil to comply with 1002.f.(2).D	Date:	04/01/2026
Type	DEBRIS		
Comment:	There are dozens of steel wire scraps that appear to be the remnants of old pin flags, such as would be used to mark the surface location of a buried pipeline, minus the plastic flagging. Various other pieces of trash and debris scattered across site including absorbant pads and zip tie ends. Photo 32, 42, 46.		
Corrective Action:	Sweep area for pin flags and other trash and debris to comply with 606.	Date:	04/01/2026
Overall Good: <input type="checkbox"/>			
Spills:			
Type	Area	Volume	
Produced Water	WELLHEAD	<= 1 bbl	
Comment:	Produced water observed puddling by 36-1A on 3/11/26 within ~100 square feet of mineralized saline crust indicating ongoing release and evaporation. Standing water had evaporated or sunk in by 3/17/26 but all mineralized crust remained. Photos 13, 14, 35, 36, 37.		
Corrective Action:	Contact ECMC Environmental Protection Specialist staff Jason Kosola regarding Rule 912.c and Form 19 requirements.		Date: 03/20/2026
In Containment: No			
Comment:			
<input type="checkbox"/> Multiple Spills and Releases?			
Fencing/:			
Type	PUMP JACK		
Comment:	Cattle Panel fences around each pump jack/wellhead.		
Corrective Action:			
Date:			

Equipment:		corrective date
Type: Vertical Heated Separator	# 3	
Comment:	Triple vertical heated seapartors inside same structure as meter runs.	
Corrective Action:		Date:
Type: Gas Meter Run	# 3	
Comment:	Inside structure with vertical heated separators. 36-2A dated 10/15/25. 36-1A dated 10/15/25. 36-1 dated 1/21/2026.	
Corrective Action:		Date:
Type: Bradenhead	# 3	
Comment:	Accessible	
Corrective Action:		Date:
Type: Bird Protectors	# 1	
Comment:	on top of separator heater stack.	
Corrective Action:		Date:
Type: Deadman # & Marked	# 9	
Comment:	4 markers knocked over. Photo 31.	
Corrective Action:	Comply with 1003.a.	Date: <u>04/01/2026</u>
Type: Ancillary equipment	# 3	
Comment:	Telemetry. Disconnected and frayed wires at various locations on site. Look like low-voltage associated with telemetry and not high voltage. Photos 18, 30, 34, 40, 41.	
Corrective Action:	Comply with rule 608.d by maintaining and operating equipment in a way that prevents static charge or stray current hazards. Remove or return to service to comply with 606 if not needed.	Date: <u>04/01/2026</u>
Type: Other	# 3	
Comment:	Wellhead. 36-1A is leaking enough produced water that it is causing puddles of standing water and causing a mineral crust to form on the soil. 36-1 is dripping produced water. Photos 7, 8, 13, 14, 36, 37 See attached video.	
Corrective Action:	Securely fasten all valves, pipes, fittings, and Production Facilities to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 608.e. See "spills" section also.	Date: <u>04/01/2026</u>
Type: Prime Mover	# 3	
Comment:	Gas power. 36-1 exhaust hose broken in at least 3 places. Photo 11. 36-1A Exhaust manifold is disconnected at hammer union from both mufflers and Exhaust hose has cracks. Photo 38.	
Corrective Action:	Securely fasten all valves, pipes, fittings, and Production Facilities to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 608.e.	Date: <u>04/01/2026</u>
Type: Ancillary equipment	# 3	
Comment:	Lube oil tanks with secondary containment. 1 for each well. Hose for 36-2A is leaking and staining soil beneath. See photos 19 and 20. Secondary containment tank drain plug for 36-1A is missing and there is stained soil beneath. Photo 33, 39, 44.	
Corrective Action:	Securely fasten all valves, pipes, fittings, and Production Facilities to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 608.e.	Date: <u>04/01/2026</u>
Type: Flow Line	# 1	

Comment:	Unmarked riser. Hammer union pipe sticking out of ground ~6" at 36-1A. Photo 35.		
Corrective Action:	Tag as OOSLAT or Complete flowline abandonments to comply with Rule 1105.	Date:	04/17/2026

Venting:

Yes/No	NO		
Comment:			
Corrective Action:		Date:	

Flaring:

Type			
Comment:			
Corrective Action:		Date:	

Inspected Facilities

Facility ID: 216500 Type: WELL API Number: 067-08106 Status: PR Insp. Status: PR

Producing Well

Comment: <u>PW</u>	
Corrective Action:	Date:

BradenHead

Date of Last Brhd Test: 04/17/2025 Annual Brhd Completed? Yes

Last Brhd Test Results Initial Surf Csg Pressure: 0 Fluid Type: _____

End Surf Csg Pressure: 0

Comment: _____

Corrective Action: _____ Date: _____

The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

Facility ID: 297003 Type: WELL API Number: 067-09593 Status: PR Insp. Status: PR

Producing Well

Comment: <u>PW</u>	
Corrective Action:	Date:

BradenHead

Date of Last Brhd Test: 04/17/2025 Annual Brhd Completed? Yes

Last Brhd Test Results Initial Surf Csg Pressure: 0 Fluid Type: _____

End Surf Csg Pressure: 0

Comment: _____

Corrective Action: _____ Date: _____

The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

Facility ID: 297004 Type: WELL API Number: 067-09594 Status: PR Insp. Status: PR

Producing Well

Comment: <u>PW</u>	
Corrective Action:	Date:

BradenHead

Date of Last Brhd Test: 04/17/2025 Annual Brhd Completed? Yes

Last Brhd Test Results Initial Surf Csg Pressure: 0 Fluid Type: _____

End Surf Csg Pressure: 0

Comment: _____

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
Compaction	Pass	Compaction	Pass			
Gravel	Pass	Gravel	Pass			

Comment: No sediment transport off site or erosion observed. Some seasonal rutting.

Corrective Action:

Date: _____

Pits: NO SURFACE INDICATION OF PIT

ECMC Comments

Comment	User	Date
Several corrective actions were identified, including a possible spill of more than 1 BBL volume at 36-1A. See attached video and photos. Photos 1-30 taken 3/11/26. Photos 31 to 46 taken 3/17/26. Corrective actions dates adjusted to reflect 3/17/26 consultation.	blairj1	03/12/2026

Attached Documents

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

Document Num	Description	URL
404585298	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=7484929
721100252	36-1 Wellhead drip video	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=7484927
721100254	Inspection photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=7484928