

**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:

11/19/2021

Submitted Date:

11/23/2021

Document Number:

696203374

FIELD INSPECTION FORMLoc ID 335538 Inspector Name: Trujillo, Aaron On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**

OGCC Operator Number: 10447

Name of Operator: URSA OPERATING COMPANY LLC

Address: 950 17TH STREET, SUITE 1900

City: DENVER State: CO Zip: 80202

Status Summary:

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

Findings:

8 Number of Comments

4 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
, TEP		COGCCInspectionReports@terraep.com	
Knudson, Dwayne	970-625-9922	dknudson@ursaresources.com	All Inspections
,		dnr_cogccenforcement@state.co.us	
Ramsey, Scott		scott.ramsey@state.co.us	
Arthur, Denise		denise.arthur@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
301819	WELL	XX	04/27/2018	LO	045-18287	Valley Farms F21	RI
335538	LOCATION	AC			-	VALLEY FARMS F PAD	RI

General Comment:

On 11/19/2021, Reclamation Specialist Trujillo conducted an interim reclamation and stormwater inspection at the Valley Farms F Pad Location in Garfield County, CO.

Location/Well file shows URSA as Operator on record; Form 10 402554498 transferring ownership (effective 12/22/2020) to TEP currently in process.

The following compliance issues were observed during this inspection

- Unused equipment
- Noxious Weeds
- Interim Reclamation
- Conductors not plugged/reclaimed
- Stormwater

Refer to the "stormwater", "reclamation" and "good housekeeping" sections of this inspection report for additional details.

Refer to the photo-documentation of the observed compliance issues attached to this report.

Any corrective action(s) from previous inspections that have not been addressed are still applicable.

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

LocationOverall Good: ☐

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Good Housekeeping:

Type	UNUSED EQUIPMENT		
Comment:	What appears to be unused separator equipment observed stored next to tank battery. Trailer observed stored on northern production areas of the Location.		
Corrective Action:	Comply with Rule 606	Date:	12/08/2021

Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

Comment:

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

Yes/No			
Comment:			
Corrective Action:		Date:	

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Inspected Facilities									
Facility ID:	301819	Type:	WELL	API Number:	045-18287	Status:	XX	Insp. Status:	RI
Facility ID:	335538	Type:	LOCATION	API Number:	-	Status:	AC	Insp. Status:	RI

Reclamation - Storm Water - Pit**Interim Reclamation:**

Date Interim Reclamation Started: _____

Date Interim Reclamation Completed: _____

Land Use: OTHER, 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 _____

Comment _____

Corrective Action _____

Date _____

1002E. SURFACE DISTURBANCE 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? _____ 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? _____

Production areas have been stabilized? _____ Segregated soils have been replaced? _____

RESTORATION AND REVEGETATIONCropland

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? _____ F _____

Comment

Though plant establishment is evident, it was observed in this inspection that there are interim areas of the Location that are not progressing towards 1003 uniform, desirable vegetative standards. Additionally, eastern slopes were observed to be bare, with little to no desirable plant establishment.

Five (5) Russian Olive plants observed established on the western and northern interim areas; plants are Colorado State listed noxious weeds; weed management required.

Corrective Action

Comply with 1003 rules.

Date **03/31/2022**

Overall Interim Reclamation In Process

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____

Date Final Reclamation Completed: _____

Final Land Use: OTHER, 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 _____

Comment:	Well API 045-18287 has not been drilled; Form 2 permit expired 7/24/2020; Conductor setting has not been plugged/removed; though Operator has placed a pipe in an effort to cover conductor pipe, a required welded plate has not been placed at the top of the conductor pipe; conductor requires plugging/reclamation.	
Corrective Action:	Comply with 406.e.(4)	Date: 01/23/2021
Overall Final Reclamation <input type="checkbox"/> 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
Comment:	See "Comment #1" for comments regarding stormwater	
Corrective Action:	Comply with 1002.f	
	Date: 08/02/2021	
Pits: <input type="checkbox"/> NO SURFACE INDICATION OF PIT		

COGCC Comments

Comment	User	Date
Stockpiled Soils on Location: It was observed in this inspection that Operator has excavated and stored soils around the Valley Farms F21 conductor; control measures to mitigate sediment transport from stockpiled soils are missing or insufficient. On 10/18/2021 during an inspection at the Valley Farms E Pad (#335542), COGCC Staff observed similar compliance issues regarding missing controls measures at stockpiled soils excavated/stored around a conductor (see inspection #696203249). Operator was provided corrective actions, and implemented controls in response. It is noted that the "Valley Farms E Pad" is adjacent to the "Valley Farms F Pad", and though similar work appears to be in process, and stockpiled soils were observed stored at both Locations with missing stormwater and erosion control measures, Operator implemented controls at the stockpiled soils on the E Pad, while controls were not implemented at the stockpiled soils on the F Pad. Operator does not appear to be taking proactive measures in order to maintain stormwater compliance on their Locations, but rather Operator appears to be using COGCC Staff as "work orders", and only addressing stormwater inadequacies once a "corrective action inspection" has been provided.	trujilloam	11/23/2021

COMMENT #1: Stormwater

trujilloam

11/23/2021

Inspection Nos. 700701947, 700702257, and 700702930 observed that control measures to protect and stabilize the cut slopes of the Location were missing or insufficient. Inspections required Operator to comply with Rule 1002.f

Operator submitted Resolution Nos. 402566126 on 1/5/2021, 402592028 on 2/4/2021, 40279049 dated 8/26/2021 and 402800843 dated 9/2/2021 stating stormwater corrective actions have been completed; comments include : "BMPs have been maintained", "Additional stabilization work on cut slopes has been performed", and "cut slope addressed/stabilized".

It was observed in this inspection that the Location remains out of compliance with COGCC Rules and corrective actions.

-Operator appears to have only placed a single straw wattle at the top of the cut slope to manage stormwater run-on; wattle control measure alone is inadequate to stabilize slopes; controls to stabilize and protect the cut slopes remain missing or insufficient per good engineering practices; erosion degradation at cut slopes has persisted.

-Erosion blankets observed behind separator equipment; sections of blankets in disrepair; BMP has not been maintained in proper functioning condition.

NEW observed stormwater issues per this inspection; Operator has excavated soils around the wellhead; control measures to mitigate sediment transport from stockpiled soils are missing or insufficient. Slopes on the east end of the Location bare and exposed; erosion degradation evident; controls to protect/stabilize slopes missing or insufficient.

Corrective actions have not been addressed and remain applicable.

Attached Documents

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

Document Num	Description	URL
402879230	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5588729
696203375	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5588725