

**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:

04/27/2022

Submitted Date:

05/02/2022

Document Number:

702800155**FIELD INSPECTION FORM**Loc ID 438248 Inspector Name: O'Malley, Anna On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**OGCC Operator Number: 10396Name of Operator: SWN PRODUCTION COMPANY LLCAddress: P.O. BOX 12359City: SPRING State: TX Zip: 77391-**Status Summary:**

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

Findings:18 Number of Comments12 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
Fischer, Alex		alex.fischer@state.co.us	
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Gee, Liz	281 900 7484	liz_gee@swn.com	
Kellerby, Shaun		shaun.kellerby@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
438248	LOCATION	AC			-	DIAMOND T SHEEP 7-92 1-26	RI

General Comment:

On 04/27/2022, Reclamation Specialist O'Malley conducted an interim reclamation and stormwater inspection at SWN Production Company LLC's Diamond T Sheep 7-92 /1-26 Location #438248 in Moffat County, Colorado. This is a follow up to Inspection #696202946.

It was observed in this inspection that the Location is out of compliance with several COGCC Series Rules including, but not limited to, Safety and Facility Operations Regulations (600 series), Environmental Impact Prevention (900 Series), Reclamation Regulations (1000 Series, including Stormwater), and Protection of Wildlife Resources (1200).

Refer to the "Signs/Marker," "Good Housekeeping," "Spills," "Equipment," "Spills/Releases," "Reclamation," "Stormwater" and "COGCC Comments" 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: ☐

Signs/Marker:			
Type	WELLHEAD		
Comment:	<p>Previous inspection #696202946 observed Operator information incorrect on signs throughout Location (well heads, battery, tanks). Inspector required Operator to comply with 605 Rules- implement signage with correct Operator by 8/19/2021. Operator submitted FIRR #402756537 stating: signs noting the operator name as SWN Production Company, LLC have been installed.</p> <p>It was observed in this inspection that signage indicating the correct Operator (SWN) has been installed at wellhead and tank battery. This portion of the corrective action has been addressed. The Operator name listed on the tanks within the tank battery is Sepco, Inc. Corrective action not addressed in it's entirety. Original corrective action and date remain applicable.</p>		
Corrective Action:	Comply with 605 Rules- implement signage with correct Operator.	Date:	08/19/2021
Type	TANK LABELS/PLACARDS		
Comment:	<p>Previous inspection #696202946 observed Labeling information, including safety information, contents, capacity, NFPA, etc. observed to be missing or inadequate on several tanks, and containers, throughout the Location. Inspector required Operator to comply with 605 Rules by 8/19/2021. Operator submitted FIRR stating: "At this point in time, all labeling has been done except for one methanol tank. We should receive the label by August 7, 2021."</p> <p>It was observed in this inspection that labels have been applied to several tanks. Safety labeling for container beneath pump jack muffler pipe and tank adjacent to pump jack remains absent. Corrective action not addressed in it's entirety. Original corrective action and date remain applicable.</p>		
Corrective Action:	Comply with 605 Rules.	Date:	08/19/2021

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Good Housekeeping:

Type	DEBRIS		
Comment:	<p>Previous inspection #696202946 observed concrete debris stored on south end of the Location. Inspector required Operator to comply with Rule 606, and Rule 906.a-d by 7/26/2021. Operator submitted FIRR #402756537: "The inspection photo illustrates native rock excavated from location during trenching activities. The rock was stockpiled on site for use in future reclamation operations."</p> <p>The COGCC Environmental group noted that though some concrete debris was evident, material was predominantly rock.</p> <p>It was observed in this inspection that the concrete was removed. This corrective action has been addressed.</p>		
Corrective Action:		Date:	
Type	OTHER		
Comment:	It was observed in this inspection that an open pipe, containing an unknown fluid was exposed at well API # 05-081-07804.		
Corrective Action:	Implement safety BMPs to properly cover pipe.	Date:	05/07/2022
Type	OTHER		

Comment:	<p>In previous inspection #696202946 impacted soils were observed stored within a stock tank on the northeast end of the Location. Inspector required Operator to Properly dispose of impacted material at an approved Facility and provide waste manifest documentation on a FIRR by 8/19/2021.</p> <p>Operator submitted FIRR #402756537: "Once laboratory testing is received on the excavated soil material, a landfill facility will be selected and all information, including disposal manifests will be provided to the COGCC." etc.. See FIRR for more detail.</p> <p>It was observed in this inspection that the stock tank with impacted soils is absent. No laboratory results or disposal manifests received by COGCC. Original corrective action and date remain applicable.</p>		
Corrective Action:	Properly dispose of impacted material at an approved Facility and provide waste manifest documentation on a FIRR.	Date:	08/19/2021
Type	DEBRIS		
Comment:	<p>Previous inspections observed undesirable plant species and weed debris on the Location and within equipment. Inspections required Operator to comply with Rule 606 by 12/8/2020. Operator submitted FIRR #402756537 indicating the corrective action had been completed.</p> <p>It was observed in this inspection that weed debris was absent around equipment and had been largely removed from the perimeter disturbance areas. This corrective action has been addressed. Weed debris was present on the fill slope and ditch to the south of the working pad area. Continued management of weed debris is required. New corrective action is being given.</p>		
Corrective Action:	Comply with Rule 606	Date:	05/09/2022
Type	WEEDS		
Comment:	<p>Previous inspections observed noxious and undesirable weed establishment on the production areas and the perimeter of the Location. Operator was required to conduct weed management. Operator submitted FIRR #402756537 indicating corrective action completed.</p> <p>It was observed in this inspection that undesirable plant species/weeds (Russian thistle, kochia) and CO Noxious Weeds (scotch thistle, cheatgrass) were present on the working pad area, cut and fill slopes and interim areas throughout the Location.</p>		
Corrective Action:	Conduct weed management to prevent further establishment and spread of Undesirable and Noxious Weed Species in accordance with Rule 1003.f and Rule 606.c. Ongoing weed management required until location passes final reclamation.	Date:	06/01/2022
Type	UNUSED EQUIPMENT		
Comment:	<p>Previous inspections documented unused equipment. Inspector required Operator to comply with Rule 606 by 7/22/2019. Operator submitted FIRR #402756537: "All unused equipment was removed from the location on July 21, 2021. All equipment was removed, including the tubing, pipe, panels, etc."</p> <p>It was observed in this inspection that some of the unused equipment reference in previous inspections was absent. However, some previously observed equipment remains, including piping adjacent to the pump jack. Additional unused equipment was observed including bags of soil absorbent, multiple containers, stock tanks, oil drums, building panels and various tools, pipes, etc. within the compressor shed. Corrective action and date remains applicable.</p>		
Corrective Action:	Comply with Rule 606.	Date:	07/22/2019
Type	DEBRIS		
Comment:	<p>Previous inspection #696202946 observed various debris within the secondary containment BMPs of the separator and tank battery facility. Inspector required Operator to comply with Rule 606 by 7/26/2021.</p> <p>It was observed in this inspection that debris reference in the previous inspection was absent from the secondary containment BMPs of the separator and tank battery facility. It appears this corrective action has been addressed. However, unused equipment is present in the separator secondary containment. Refer to "UNUSED EQUIPMENT" for corrective action.</p>		
Corrective Action:		Date:	
Overall Good: <input type="checkbox"/>			

Spills:				
Type	Area	Volume		
Comment:	Impacted soils observed throughout the Location: - within both compressor sheds on the North end of the Location. - within the secondary containment BMP at the separator and tank battery equipment.			
Corrective Action:	Securely fasten all valves, pipes, fittings, and Production Facilities to ensure good mechanical condition; control and contain spills/releases and clean up per Rule 912.a. and remediate to Table 915-1 Cleanup Concentrations; for non-E&P waste comply with Rules 906.a-d			Date: <u>06/01/2022</u>

In Containment: No

Comment:

☒ Multiple Spills and Releases?

Equipment:			corrective date
Type: Other	#		
Comment:	Previous inspection #696202946 observed wildlife protection devices are missing or insufficient at several secondary containment BMPs, and containers (buckets). Inspector required Operator to install or repair wildlife protection equipment by 7/26/2021. It was observed in this inspection that paneling has been installed around some secondary containment and containers. Panels are inadequate to prevent wildlife, including but not limited to birds and bats from entering the containers for various reasons; open at the top, open on a side, large mesh size. Various secondary containment BMPs and containers continue to lack wildlife protection. Original corrective action has not been addressed. Corrective action date remains applicable.		
Corrective Action:	Install or repair wildlife protection equipment.		Date: <u>07/28/2021</u>

Venting:

Yes/No		
Comment:		
Corrective Action:		Date:

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Environmental**Spills/Releases:**

Type of Spill: _____

Estimated Spill Volume: _____

Comment: It was observed in this inspection that stained soils are present at well API #081-07817. Well 081-07817 is the site of spill #480298, date of discovery 7/14/2021. Per Rule 912.b.(6).B.ii. a Form 27 is required if Cleanup or Remediation will continue for longer than 90 days after the Spill or Release was discovered. The Operator shall submit the Form 27 no later than 90 days after date of discovery. No Form 27 or disposal manifests have been received. Corrective action date 10/12/2021 is 90 days from the 7/14/2021 date of discovery.

Corrective Action: All impacted materials must be remediated to Table 915-1 clean-up concentrations. Comply with Rule 912.b.(6).B.ii; Submit Form 27 with copies of all disposal manifests attached.

Date: 10/12/2021

Reportable: YES

GPS: Lat _____

Long _____

Proximity to Surface Water: _____

Depth to Ground Water: _____

Water Well Complaint:

Lat

Long

DWR Receipt Num: _____

Owner Name: _____

GPS : _____

Field Parameters:

Sample Location: _____

Comment: _____

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 _____

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? Fail Production areas stabilized ? _____

1003c. Compacted areas have been cross ripped? Fail

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 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 See "COGCC Comments" "INTERIM RECLAMATION COMMENTS"

Corrective Action Perform interim reclamation on all areas not reasonably needed for production to the south and southwest of the wells, pursuant to 1003 Rules including, but not limited to: compaction alleviation (cross ripping to a minimum depth of 18 inches), recontouring/regrading, replacement of topsoil, and revegetation activities; use a seed mixture provided by the surface owner, or a mixture prescribed by the local soil conservation district. Implement control measures to stabilize the seeded soil in accordance with Rule 1002.d.(2)C. A corrective action date of 5/9/2016 is being provided as this was when interim reclamation was required by, pursuant to rule 1003.b.

Date 05/09/2016

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 _____

Comment:		
Corrective Action:		Date
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

Comment:	See "COGCC Comments" "STORMWATER COMMENTS"	
Corrective Action:	Comply with Rule 1002.f.(2)C. Ensure control measures are adequate for the site's conditions, have been installed in accordance with good engineering practices, and are maintained in proper functioning condition.	Date: 07/26/2021

Pits: ☐ NO SURFACE INDICATION OF PIT

COGCC Comments

Comment	User	Date
STORMWATER COMMENTS: Previous inspection #696202946 observed BMPs to stabilize/protect the cut slopes of the Location are missing or insufficient and erosion degradation within the ditch along the west end of the Location. It was observed in this inspection that BMPs to stabilize/protect the cut and fill slopes of the Location are missing or insufficient; cut and fill slopes exposed- soils observed to be loose/powdery and actively eroding via wind and water. Due to windy conditions at the time of the this inspection unprotected soils from the Location were airborne creating a fugitive dust issue as mentioned in complaint #200449766 (Received 6/29/2021). BMPs to stabilize/protect the interim areas of the Location are missing or insufficient; surface roughening not performed in accordance with good engineering practices; tracking was perpendicular to the slope. Tracking is a temporary erosion control measure which requires regular inspection and maintenance. No other stormwater or erosion control measures were implemented in conjunction with the tracking to stabilize bare interim area soils. Rill erosion was observed throughout the interim areas resulting in soil loss and offsite degradation. BMPs (wattles) to the south of the Location not maintained in proper functioning condition; soil loss and offsite degradation from soil erosion evident.	omalleya	04/28/2022
RECLAMATION COMMENTS: COGCC Records show 11/9/2015 as the "Date of First Production" for the last well to go into production (081-07817) on the Location; pursuant to Rule 1003.b, interim reclamation was required to be completed by 5/9/2016. Previous inspection #696202946 required operator to Comply with 1003 Rules and conduct interim reclamation on the Location. Operator submitted Sundry Notice #402821981 stating Interim Reclamation will commence approximately 10/18/2021. It was observed in this inspection that reclamation activities have taken place and the working pad area has been reduced to the northwest of the wells. However, areas to the south and southwest of the wells not reasonably needed for production operations have not been reduced and reclaimed. Additionally, adequate BMPs to stabilize interim reclamation areas have not been implemented as is required per Rule 1003.b. See also the "Stormwater" section of this inspection report.	omalleya	04/28/2022

Attached Documents

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

Document Num	Description	URL
702800165	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5741686