

**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:

10/31/2022

Submitted Date:

11/03/2022

Document Number:

702800881**FIELD INSPECTION FORM**Loc ID 313043 Inspector Name: O'Malley, Anna On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**OGCC Operator Number: 3975Name of Operator: ARGALI EXPLORATION COMPANYAddress: PO BOX 416City: RANGELY State: CO Zip: 81648**Status Summary:**☐ THIS IS A FOLLOW UP INSPECTION☒ FOLLOW UP INSPECTION REQUIRED☐ NO FOLLOW UP INSPECTION REQUIRED**Findings:**14 Number of Comments6 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
Neidel, Kris		kris.neidel@state.co.us	
Jeffrey, Carl		jbrduco@yahoo.com	All Inspections
,		argaliexplorationcompany@g mail.com	General Contact
Fischer, Alex		alex.fischer@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
223432	WELL	PR	09/01/2018	GW	081-06798	OKES 5-6	RI
313043	LOCATION	AC			-	OKES-68N90W 6SWNW	RI

General Comment:

On 10/31/2022, Reclamation Specialist O'Malley conducted a reclamation and stormwater inspection at Argali Exploration Company's OKES-68N90W/6SWNW Location #313043 in Moffat County, Colorado.

The following compliance issues were observed during this inspection:

- Methanol tank label missing/insufficient
- Wellhead sign missing/insufficient
- Noxious weeds
- Unused pipe equipment
- Wildlife protections on methanol tank secondary containment missing/insufficient
- Decommissioning of facilities without Form 27 Site Investigation and Remediation Workplan

Refer to the "Location," "Reclamation" and "Stormwater" 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	TANK LABELS/PLACARDS		
Comment:	Labeling information, including safety information, contents, capacity, NFPA, etc. observed to be faded and illegible on the methanol tank at the northeast of the Location.		
Corrective Action:	Comply with 605 Rules.	Date:	01/02/2023
Type	WELLHEAD		
Comment:	Wellhead sign must comply with Rule 605.d(2) when no associated tank battery is present at the Oil and Gas Location. It was observed in this inspection that the wellhead sign does not comply with Rule 605; well sign lacks the API number, telephone number at which the Operator can be reached at all times, telephone number for local emergency services (911 where available) and the public road used to access the well.		
Corrective Action:	Install sign to comply with Rule 605.d.	Date:	12/15/2022

Emergency Contact Number:

Comment:	(970) 629-1906, (970) 629-2614		
Corrective Action:		Date:	

Good Housekeeping:

Type	WEEDS		
Comment:	Bull and Canada thistle (List B Noxious Weeds) were found occasionally throughout the Location. Weed management is required in the 2023 growing season. Ongoing weed management is required.		
Corrective Action:	Conduct weed management to prevent further establishment and spread of noxious weeds; ongoing weed management required until location passes final reclamation.	Date:	05/01/2023

Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

Comment: Previous inspections observed evidence of a produced water spill. It does not appear that corrective actions have been addressed. Corrective actions from document #s 689805922, 689804326 and 689802727 remain applicable.

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

Type: Other	#		corrective date
Comment:	Wildlife protection devices are missing or insufficient to prevent wildlife from entering the methanol tank secondary containment device.		
Corrective Action:	Install or repair wildlife protection equipment.	Date:	11/08/2022
Type: Other	#		
Comment:	Pipe at the northwest of the Location, at the produced water tank facility remains. Pipe is now unused equipment and must be removed per Rule 606.		
Corrective Action:	Comply with Rule 606. Remove pipe.	Date:	11/18/2022

Venting:

Yes/No			
Comment:			

Corrective Action:		Date:	
Flaring:			
Type			
Comment:			
Corrective Action:		Date:	

Inspected Facilities									
Facility ID:	223432	Type:	WELL	API Number:	081-06798	Status:	PR	Insp. Status:	RI
Facility ID:	313043	Type:	LOCATION	API Number:	-	Status:	AC	Insp. Status:	RI

Environmental**Spill/Remediation:**

Comment: It was observed in this inspection that the Operator appears to have decommissioned two facilities on the Location. A partially buried produced water vessel, at the southeast of the Location has been removed. A produced water tank facility at the northwest of the Location has been removed. Per Rule 911.a Operator must close all Oil and Gas Facilities in accordance with an approved Form 27.

Operator must contact Northwest Area Environmental Protection Specialist for Form 27 direction within 10 days. Operator must submit a Form 27 within 30 days.

Corrective Action: Corrective Action #1: Contact Northwest Area EPS for Form 27 direction by 11/13/2022.

Date: 11/13/2022

Corrective Action #2: Submit a Form 27 Site Investigation and Remediation Workplan by 12/3/2022.

Emission Control Burner (ECB): _____

Comment: _____

Pilot: _____ Wildlife Protection Devices (fired vessels): _____

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

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: _____

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 [Waste and debris present. Refer to the "Location" section.](#)

Corrective Action _____

Date _____

Unused or unneeded equipment onsite? Pass

Comment _____

Corrective Action _____

Date _____

Pit, cellars, rat holes and other bores closed? Pass

Comment _____

Corrective Action _____

Date _____

Guy line anchors marked? _____

Comment [No anchors markers observed. If present, anchors are unmarked.](#)

Corrective Action _____

Date _____

1003b. Area no longer in use? _____ Production areas stabilized ? Pass

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? InProduction areas have been stabilized? Pass Segregated soils have been replaced? _____**RESTORATION AND REVEGETATION**Cropland

Top soil replaced _____ Recontoured _____ Perennial forage re-established _____

Non-CroplandTop soil replaced _____ Recontoured Pass 80% Revegetation In

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? FComment Refer to the "Location" section of this inspection report for weed control corrective action.

It was observed in this inspection that two facilities have been decommissioned at the northwest and southeast of the Location. Areas no longer necessary for production operations at the northwest and southeast are subject to 1003 Interim Reclamation requirements. Prior to conducting Interim Reclamation Operator must demonstrate compliance with 915-1 standards. Refer to the "Environmental" section of this report. Upon compliance with 915-1 standards interim reclamation is required.

Previously reclaimed areas are vegetated with introduced perennial grasses (intermediate wheatgrass).

Corrective Action _____ Date _____

Overall Interim Reclamation

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____ Date Final Reclamation Completed: _____

Final Land Use: _____

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 ☐Multi-Well Location ☐**Storm Water:**

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment

Comment: Corrective Action:

Date: _____

Pits: ☒ NO SURFACE INDICATION OF PIT**Attached Documents**You can go to COGCC Images (<https://cogcc.state.co.us/weblink/>) and search by document number:

Document Num	Description	URL
403219048	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5905427
702800882	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5905424