

**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:

03/24/2023

Submitted Date:

03/27/2023

Document Number:

696204793

FIELD INSPECTION FORMLoc ID 314697 Inspector Name: Trujillo, Aaron On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**

OGCC Operator Number: 16700

Name of Operator: CHEVRON USA INC

Address: 760 HORIZON DRIVE STE 401

City: GRAND JUNCTION State: CO Zip: 81506

Status Summary:☐ THIS IS A FOLLOW UP INSPECTION☒ FOLLOW UP INSPECTION REQUIRED☐ NO FOLLOW UP INSPECTION REQUIRED**Findings:**

19 Number of Comments

6 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
Sanford, Anita		Anita.Sanford@scoutep.com	Rangely Field
Patterson, Chris		Chris.Patterson@scoutep.com	
,		dnr_cogccenforcement@state.co.us	
Neidel, Kris		kris.neidel@state.co.us	
Fischer, Alex		alex.fischer@state.co.us	
,		RangelyRegulatory@scoutep.com	Rangely Field
Olson, Andrew	(970) 257-6079	andrewolson@chevron.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
229319	WELL	IJ	02/02/2023	ERIW	103-06420	MCLAUGHLIN, A C 56X	RI
314697	LOCATION	AC			-	MCLAUGHLIN, A C-62N103W 14SESW	RI

General Comment:

On 3/24/2023, Reclamation Specialist Trujillo inspected Chevron USA's MCLAUGHLIN, A C-62N103W 14SESW location in Rio Blanco County, Colorado.

Well records show Chevron USA Inc as the designated Operator for the Location. Form 9(s) 402890516 transferring the Location/Well from Chevron to Scout Energy Management currently "in process". Chevron remains the Operator responsible for the management of the Location until the Form 9 is approved. Inspection is being submitted to both Chevron USA, and Scout Energy

Form 4 #403301165 states that "Injection Well was shut in 2/2/2023 for suspected tubing failure". Workover rig observed onsite at time of inspection.

The following compliance issues were observed during this inspection:

- Stormwater: Missing or insufficient tracking BMPs on working pad and access road
- Stormwater/Soil stockpiles: Missing or insufficient BMPs at stockpiled soils
- Stormwater: BMPs to prevent or contain a spill missing or insufficient at tanks on the Location.
- Stormwater: BMPs to prevent or contain a spill missing or insufficient at the porta-john on the Location.
- Stormwater: BMPs to prevent or contain a spill missing or insufficient at containers on the Location.
- Stormwater/Spill: Fluids observed leaking from equipment connected to "Produced Water/Brine" Tanks.
- Surface Disturbance Minimization
- Improper storage of equipment
- Trash/Debris
- Required signage/labeling missing at tanks

Refer to the "Location", "Reclamation" and "Stormwater" sections of this inspection report for additional details.

See inspection #696204791 and #696204758 regarding tracking issues onto Hwy. 64.

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:	Tanks observed missing required signage/labeling information (such as Operator information, capacity information) in accordance with Rule 605.h. See photos 10-11		
Corrective Action:	Comply with Rule 605.h	Date:	04/24/2023

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Good Housekeeping:

Type	STORAGE OF SUPL		
Comment:	Operator appears to be in the process of well repair; well equipment observed stored on the edge of the working pad area in such a manner that wet soils have collected within the production equipment, resulting in possible contamination of soils and stormwater impacts; production equipment has not been stored in a manner to minimize pollution. See photo 13.		
Corrective Action:	Implement BMPs and properly store equipment in a manner that minimizes pollution. Any impacted soils will require cleaning to Table 915-1 and/or proper disposal.	Date:	04/03/2023
Type	TRASH		
Comment:	Trash debris observed stored on surface of working pad. See photo 9.		
Corrective Action:	Comply with Rule 606.	Date:	04/06/2023

Overall Good: ☐

Spills:				
Type	Area	Volume		
Produced Water	Tank			
Comment:	<p>Leak observed spilling fluids onto the pad surface from what appears to be pump equipment connected to the Produced Water/Brine tanks on the Location; fluids observed mixing with stormwater/wet soils on the working pad surface- stormwater ponding issues observed throughout entire Location; unable to determine extent of the spill area and impacts. See photos 12, and attachment labeled "Leak at equipment".</p> <p>On the date of inspection, Reclamation Specialist called the Operator at 12:51 hours to report the spill, and left a message on the answering machine. At 12:58 Operator returned the message, and was provided notice of the spill.</p>			
Corrective Action:	Control and contain spills/releases and clean up per Rule 912.a.			Date: 03/25/2023
	Fluids observed mixing with stormwater/wet soils- unable to determination of spill volume; Operator will contact COGCC EPS Staff for direction regarding any Rule 912.b spill reporting requirements no later than 3/30/2023.			

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:	229319	Type:	WELL	API Number:	103-06420	Status:	IJ	Insp. Status:	RI
Workover									
Comment: Workover rig on site- refer to Form 4 #403301165.									
Corrective Action:									
Date:									
Facility ID:	314697	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: _____

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 _____ Fail _____

Comment _____

Operator was observed improperly storing equipment on off-site areas adjacent to the west end of the Location. This does not comport with surface disturbance minimization requirements.

Corrective Action _____

Remove and properly store any equipment currently stored beyond the designated working pad area.

Date **03/31/2023**

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 _____

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? _____

Comment Any additional disturbances due to off-site storage of equipment and/or vehicle travel will require reclamation. A followup inspection will be conducted.

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
				Material Handling And Spill Prevention	Fail	Porta-john
	Fail		Fail			Tracking/degradation, Working Pad area
				Material Handling And Spill Prevention	Fail	Tanks on Location
	Fail					Soil stockpiles
				Material Handling And Spill Prevention	Fail	Spill at equipment
				Material Handling And Spill Prevention	Fail	SAE 15W-48 containers
	Fail		Fail			Tracking/degradation, Access road

Comment: [See "Stormwater" under COGCC Comments.](#)Corrective Action: [Comply with Rule 1002.f.\(2\)](#)

Date: 03/29/2023

Pits: ☐ NO SURFACE INDICATION OF PIT**COGCC Comments**

Comment	User	Date
<p>STORMWATER COMMENTS</p> <p>It was observed in this inspection that stormwater, tracking, spill prevention and erosion control BMPs are missing or insufficient throughout the Location and access road:</p> <p>-BMPs to stabilize, as well as to minimize degradation, tracking and offsite sediment transport are missing or insufficient throughout the Location, and access road leading to the Location; erosion degradation, tracking and sediment transport observed. Working rig observed on Location- unable to find evidence that Operator implemented BMPs prior to mobilization. Access road does not appear to be adequately engineered to manage runoff and to minimize degradation, tracking and sediment transport; refer to inspections #696204791 and #696204758 regarding tracking/sediment transport onto Highway 64. See photos 1-7 in attached photo document.</p> <p>-Operator has pushed/stockpiled soils beyond the perimeter of the working pad area, expanding the disturbance area of the Location; soils are unconsolidated and a pollutant source; BMPs to minimize erosion, degradation, and sediment transport missing or insufficient at stockpiled soils. See photos 8.</p> <p>- Operator has brought several tanks (produced/brine water) and pump equipment. BMPs to prevent or contain a spill at the tanks and equipment, such as secondary containment, are missing or insufficient; spill observed out of containment resulting in pollution to stormwater. See photos 12-13.</p> <p>- Chemical containers (400 SDE SAE 15W-48) observed missing spill prevention and containment BMPs, such as secondary containment; containers observed stored on their side, and/or missing plug within lid to contain contents. See photos 14-15.</p> <p>- Porta-john unit observed stored on a small trailer; BMPs to properly secure trailer/container to prevent spill missing or insufficient; no other BMPs to prevent or contain a spill observed. See photo 16.</p>	trujilloam	03/27/2023

Attached Documents

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

Document Num	Description	URL
696204794	Leak at equipment	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6063291
696204795	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6063292