

**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:

03/15/2023

Submitted Date:

03/22/2023

Document Number:

708200062

FIELD INSPECTION FORMLoc ID 471039 Inspector Name: Edwardson, Dylan On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**

OGCC Operator Number: 10656

Name of Operator: MORNING GUN EXPLORATION LLC

Address: 1601 ARAPAHOE ST

City: DENVER State: CO Zip: 80202

Status Summary:

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

Findings:

11 Number of Comments

5 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 |
|-----------------|-------|--------------------------|-----------------|
| FLATLEY, PAUL | | pflatley@morninggun.com | Principal Agent |
| SAADEH, RICHARD | | richard.saadeh@mdsed.com | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|----------|--------|-------------|------------|-----------|---------------------|-------------|
| 471039 | LOCATION | AC | | | - | Castor 7-59 10 | CI |
| 471064 | WELL | DG | 11/23/2022 | LO | 123-50750 | CASTOR 7-59 10-3-1 | CI |
| 471065 | WELL | DG | 11/22/2022 | LO | 123-50751 | CASTOR 7-59 10-3-5 | CI |
| 471066 | WELL | DG | 11/24/2022 | LO | 123-50752 | CASTOR 7-59 10-3-8 | CI |
| 471069 | WELL | DG | 11/25/2022 | LO | 123-50755 | CASTOR 7-59 10-3-12 | CI |

General Comment:

This is a follow-up Construction and Stormwater Inspection for Location ID (471039).

LocationOverall Good: ☐

Emergency Contact Number:

Comment: Corrective Action: Date: **Good Housekeeping:**

| | | | |
|--------------------|---|--|------------------|
| Type | UNUSED EQUIPMENT | | |
| Comment: | Unused equipment (hose, pipe caps, etc) observed on western portion of location next to rip-rap structure. Refer to attached inspection photos for documentation. | | |
| Corrective Action: | Comply with Rule 606 and remove unused equipment. | | Date: 03/29/2023 |

Overall Good: ☐**Spills:**

| | | | | |
|------|------|--------|--|--|
| Type | Area | Volume | | |
|------|------|--------|--|--|

In Containment: No

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

| | | | |
|--------------------|--|-------|--|
| Yes/No | | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Flaring:

| | | |
|--------------------|--|-------|
| Type | | |
| Comment: | | |
| Corrective Action: | | Date: |

Location Construction

Location ID: 471039 CDP: _____

Comment: _____

Corrective Action: _____

Date: _____

Form 2A COAs:

Comment: Per Wildlife BMP/COA #12 on the Approved Form 2A (Doc #401906116) "Operator will conduct a survey for Plains Sharp Tail Grouse presence and active leks in the area of the mapped SWH and RSO during the 2020 nesting season. Results of the survey shall be reported to the COGCC via a Form 4 Sundry and to the CPW prior to commencing any construction, drilling, and well completion activities in 2020. Operator shall have a third party conduct one PSTG survey in the spring of 2020". It does not appear the Operator has submitted results from the 2020 PSTG survey, as no document could be found within the location's file.

Corrective Action: Operator shall submit 2020 PSTG survey results via a Form 4 Sundry as required by Wildlife BMP/COA #12. Corrective action date is being back-dated to when the location should have been in compliance.

Date: 04/01/2022

Wildlife BMPs:

Comment: Per Wildlife BMP/COA #9 on the Approved Form 2A (Doc #401906116) "The operator agrees to install raptor perch deterrents on equipment, fences, cross arms and pole tops in plains sharp-tailed grouse habitat". During this inspection, Staff did not observe any raptor perch deterrents on the perimeter fences.

Corrective Action: Operator shall install raptor perch deterrents as required by Wildlife BMP/COA #9. Corrective action date is being back-dated to when the location should have been in compliance.

Date: 10/25/2022

Comment: _____

Corrective Action: _____

Date: _____

On Site Inspection (305):Surface Owner Contact Information:

Name: _____ Address: _____

Phone Number: _____ Cell Phone: _____

Operator Rep. Contact Information:

Landman Name: _____ Phone Number: _____

Date Onsite Request Received: _____ Date of Rule 306 Consultation: _____

Request LGD Attendance: _____

LGD Contact Information:

Name: _____ Phone Number: _____ Agreed to Attend: _____

Summary of Landowner Issues:

Summary of Operator Response to Landowner Issues:

Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:

| Inspected Facilities | | | | |
|----------------------|---------------|-------|-----------------|--|
| Facility ID: | <u>471039</u> | Type: | <u>LOCATION</u> | API Number: <u>-</u> Status: <u>AC</u> Insp. Status: <u>CI</u> |
| Facility ID: | <u>471064</u> | Type: | <u>WELL</u> | API Number: <u>123-50750</u> Status: <u>DG</u> Insp. Status: <u>CI</u> |
| Facility ID: | <u>471065</u> | Type: | <u>WELL</u> | API Number: <u>123-50751</u> Status: <u>DG</u> Insp. Status: <u>CI</u> |
| Facility ID: | <u>471066</u> | Type: | <u>WELL</u> | API Number: <u>123-50752</u> Status: <u>DG</u> Insp. Status: <u>CI</u> |
| Facility ID: | <u>471069</u> | Type: | <u>WELL</u> | API Number: <u>123-50755</u> Status: <u>DG</u> Insp. Status: <u>CI</u> |

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 _____ Fail _____

Comment _____

This location does not comply with Rule 1002.b. COGCC staff performed calculations of the topsoil stockpile and estimates that there is approximately 5,925 cubic yards of topsoil salvaged and stored on the northern end of the location. This is equivalent to approximately 4" of topsoil removed from the location. The location is almost entirely in one soil unit (54: Platner loam) with an average topsoil depth of 11" (UC Davis SoilWeb); additionally, Staff conducted a soil pit and determined there is approximately 10" of top soil on location. The Operator should have salvaged approximately 14,639 cubic yards of topsoil over a 10.9 acre disturbance area (e.g. size of pad, not including topsoil underneath stockpile) at a depth of at least 10".

Corrective Action _____

Comply with Rule 1002.b. Operator shall import approximately 8,700 cubic yards of topsoil. Operator shall submit soil analytical data on the imported topsoil, and from adjacent reference area, no later than 1 month before importation, via Form 4 Sundry. Operator should use the COGCC Topsoil Protection Plan guidance for agronomic properties and analyte testing (page 4) and compare those results with a topsoil assessment for reference areas to ensure equivalent topsoil is being imported. Corrective action date is being back-dated to when the location should have been in compliance; after construction activities were completed as referenced in Doc #403195833.

Date **10/25/2022**

1002c. PROTECTION OF SOILS _____ Pass _____

Comment _____

Topsoil has been straw crimped with mulch and seeded to stabilize the stockpile to ensure compliance under Rule 1002.c.

Corrective Action _____

Date _____

1002E. SURFACE DISTURBANCE MINIMIZATION _____ Pass _____

Comment _____

Per Rule 1002.e.(1), Operator has adequately constructed and stabilized the entire well pad area, including cut and fill slopes, to control dust and minimize erosion.

Corrective Action _____

Date _____

1003a. Waste and Debris removed? _____

Comment _____

See "Good Housekeeping" section comments.

Corrective Action _____

Date _____

Unused or unneeded equipment onsite? _____

Comment _____

Corrective Action _____

Date _____

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

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 Operator shall comply with interim reclamation timing requirements.

Corrective Action _____

Date _____

Overall Interim Reclamation**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: | | | | | | Date _____ |
| Corrective Action: | | | | | | |
| 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: | <p style="color: blue; margin: 0;">The sediment trap in the northwest corner of the location appears to be inadequate in size and does not seem sufficient enough to capture a stormwater event for the size of the location. Additionally, an animal burrow was observed on the western berm of the aforementioned sediment trap. Refer to attached inspection photos for documentation.</p> | | | | | Date: 03/15/2023 |
| Corrective Action: | <p style="color: red; margin: 0;">Install or repair required BMPs per Rule 1002.f.(2)C. Corrective action date is the date the location was observed out of compliance, as the location should be in compliance at all times.</p> | | | | | |

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 |
|--------------|----------------------|---|
| 403353849 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6059506 |
| 708200066 | Inspection Photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6059503 |