

State of Colorado  
Energy & Carbon Management Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203  
Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

403608801

Date Received:

12/02/2023

## FIR RESOLUTION FORM

Overall Status: CAC

CA Summary:

3 of 8 CAs from the FIR responded to on this Form

3 CA Completed  
0 Factual Review Request

### OPERATOR INFORMATION

OGCC Operator Number: 10797  
Name of Operator: DESERT EAGLE OPERATING LLC

Address: 17101 PRESTON RD SUITE 105

City: DALLAS State: TX Zip: 75248

Contact Name and Telephone:

Name: \_\_\_\_\_

Phone: ( ) \_\_\_\_\_ Fax: ( ) \_\_\_\_\_

Email: \_\_\_\_\_

Additional Operator Contact:

Contact Name	Phone	Email
<u>Sanchez, Chris</u>		<u>chris.sanchez@state.co.us</u>
<u>Bulf, Cathy</u>		<u>cathybulf@gmail.com</u>
<u>Butler, Brad</u>	<u>972-345-9195</u>	<u>butleroil@yahoo.com</u>
<u>Beardslee, Tom</u>		<u>tom.beardslee@state.co.us</u>

### COGCC INSPECTION SUMMARY:

FIR Document Number: 713600414

Inspection Date: 11/21/2023

FIR Submit Date: 11/22/2023

FIR Status: \_\_\_\_\_

### Inspected Operator Information:

Company Name: DESERT EAGLE OPERATING LLC

Company Number: 10797

Address: 17101 PRESTON RD SUITE 105

City: DALLAS State: TX Zip: 75248

### LOCATION - Location ID: 484360

Location Name: Red Rocks Number: 35-11 County: LAS ANIMAS

Qtrqr: SENW Sec: 35 Twp: 29S Range: 55W Meridian: 6

Latitude: 37.475295 Longitude: -103.546960

### FACILITY - API Number: 05-071-

-00

Facility ID: 484675

Facility Name: Red Rocks Number: 35-11

Qtrqr: SENW Sec: 35 Twp: 29S Range: 55W Meridian: 6

Latitude: 37.475295 Longitude: -103.546960

### CORRECTIVE ACTIONS:

5 CA# 188486

Corrective Action: Operator shall abide by the reclamation rules to minimize surface disturbances per the 1002e rule.

Date: 11/21/2023

Response: CA COMPLETED

Date of Completion: 11/21/2023

The location is on private ranchland that is used for the landowner's pleasure and hunting. Desert Eagle

Operator Comment: Operating instructs its personnel to stay on the access road boundaries in order to minimize surface disturbance per Rule 1002.e.. The landowner, landowner hired personnel, and guests of the ranch are outside of Desert Eagle Operating's employment, instruction, and control.

COGCC Decision: **Not Approved**

COGCC Representative: The vehicle and equipment disturbance observed was directly associated with the Helium well site operations. It is the Operators responsibility to ensure operations are conducted per ECMC Rules.

6  CA# 188487

Corrective Action: Install or repair required BMPs per Rule 1002.f.(2)

Date: 11/21/2023

Response: CA COMPLETED

Date of Completion: 11/30/2023

Operator Comment: The Oil and Gas Location is on relatively flat, disturbed ranchland. In compliance with the approved Red Rocks 35 -11 Stormwater Management plan, the location has staked wattles to control run on and run off. Wattles are placed on the east, west, and south sides of the location, per the direction of surface flow, as shown on the attached Construction Layout Drawing. Displaced wattles have been placed in their approved locations and wattles needing repair have been repaired. These wattle also provide erosion control to minimize run on to the location and run off of soils and sediment in the event of a significant storm event and prior to interim reclamation. Stormwater Management Rule 1002.f (2): Oil and gas operators shall implement and maintain Best Management Practices (BMPs) at all oil and gas locations to control stormwater runoff BMPs shall be selected based on site-specific conditions, such as slope, vegetation cover, and proximity to water bodies. As stated in the Red Rocks 35 -11 approved Stormwater Management Plan, no storm water discharge is anticipated at this location. The combined arid location, minimal elevation change on the lease, minimizes erosion potential.

COGCC Decision: **Not Approved**

COGCC Representative: Despite what is planned in regard to the Operators layout drawing or stormwater management plan, the Operator must install appropriate BMP's to prevent stormwater erosion based on site specific conditions. There is evidence that stormwater erosion runoff had occurred to the northwest where no BMP's were installed. Furthermore, anticipating for no stormwater runoff does not comply with the rules for stormwater control. This region is known for high intensity storm events as well as high winds that can cause significant erosion and site degradation. Stormwater management must be designed, implemented, and maintained according to good engineering practices which may require further actions beyond the scope of a plan. The attached photos are inconclusive to evaluate completeness of the corrective action. A follow up inspection will be performed to evaluate compliance of the rules.

8  CA# 188489

Corrective Action: Install or repair required BMPs per Rule 1002.f.(2)  
Immediate clean up of spilled material.  
Implement or modify BMPs for improved material handling and spill prevention.

Date: 11/21/2023

Response: CA COMPLETED

Date of Completion: 11/27/2023

Operator Comment: BMP's have been repaired per Rule 1002.f.(2). The torn concrete bag has been removed. Oil stained soil has been cleaned up and properly disposed. The cuttings pile has been controlled and placed on the bermed liner. Perimeter BMPs have been repaired. Field personnel have been advised about concerns of vehicle tracking from the dirt access road to the dirt County Road and will take necessary measure to reduce the concerns,

COGCC Decision: Approved pending re-inspection

COGCC Representative: A follow up inspection will be performed to evaluate completeness of this corrective action.

#### OPERATOR COMMENT AND SUBMITTAL

Comment:

Desert Eagle Operating (DEO) has installed the sign at the wellhead, removed the tree debris along the flowline and at the location. All trash has been removed. The AVO information provided by the Southeast Reclamation Specialist was immediately addressed and corrected. Wattle disturbance has been corrected. The lease is on ranchland that is used by the owner and owner's guests for pleasure, including hunting. DEO endeavors to minimize surface disturbance per the 1002.e rule by driving within original access road boundaries and by instructing its contractors and service providers to do the same. Drill cuttings have been contained on the bermed liner. In accordance to COGCC guidance, Rule 905.G, drill cuttings samples are being analyzed. A Form 27 will be submitted for Director's approval of the operator's sampling plan, in accordance with Rule 905.e.(1). Additional Notes: Field Inspection Report 713600414 is an initial Field Inspection Report, not a Follow Up Inspection as checked under Status Summary. All corrective action dates are 11/21/2023 which is before the posting date of 11/22/2023. Items 2 and 3, Good Housekeeping, and Items 5 and 8, Stormwater and Waste Management, have corrective action dates that are not within the ECMC guidelines. DOE endeavors to operate in compliance with all operator rules and regulation in a manner that protects public health, safety, welfare, the environment and wildlife resources.

I hereby certify that the statements made in this form are, to the best of my knowledge, true, correct, and complete.

Print Name: Cathy Bulf

Signed: \_\_\_\_\_

Title: Manager

Date: 12/2/2023 11:04:31 AM

## ATTACHMENT LIST

View Attachments in Imaged Documents on COGCC website (<http://ogccweblink.state.co.us/>) - Search by Document Number.

<b><u>Document Number</u></b>	<b><u>Description</u></b>
403608801	FIR RESOLUTION SUBMITTED
403608964	Waste Management Plan
403608972	Construction Layout Drawing - Wattle Placement
403610411	Debris Removed, Wattles Correctly Installed
403610412	Wellhead Maintained
403610413	Location Sign at Wellhead
403610414	Wattles Placement and Maintenance
403610415	Debris Removed

Total Attach: 8 Files