

**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:

07/18/2024

Submitted Date:

07/22/2024

Document Number:

696205993**FIELD INSPECTION FORM**Loc ID 430927 Inspector Name: Trujillo, Aaron On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**

ECMC Operator Number: 3104

Name of Operator: ANSCHUTZ EXPLORATION CORP

Address: 555 17TH ST STE 2400

City: DENVER State: CO Zip: 80202

Status Summary:

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

Findings:

17 Number of Comments

9 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
Organ, Lindsey	7206391235	lindsey.organ@aec-denver.com	Compliance Specialist

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
430924	WELL	PR	03/01/2023	OW	103-11953	BHR Fed J22-15-397-2RH	RI
430927	LOCATION	AC			-	BHR J22-397	RI
453617	WELL	EP	12/28/2019	LO	103-12295	BHR Fed J22-15-397-4RH	RI

General Comment:

On July 18, 2024, Reclamation Specialist Trujillo conducted an interim reclamation and stormwater inspection at Anschutz Exploration Corp's BHR J22-397 Location in Rio Blanco County, Colorado.

Location is Fee Surface, with Fed Minerals.

This is also a follow-up inspection to #696205881 to document compliance with the following corrective actions:

- Interim Reclamation of areas not needed for production
- Spill/Release
- Mechanical Condition
- Spill prevention and containment measures
- Protection of topsoil / Weeds
- Anchor Marking requirements

It was observed in this inspection that corrective actions remain outstanding.

Refer to the "Location" and "Reclamation" 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 inspection that have not been addressed are still applicable.

LocationOverall Good: ☐

Emergency Contact Number:

Comment: 1-888-696-1300 / 911

Corrective Action:

Date: _____

Overall Good: ☐

Spills:					
Type	Area	Volume			
Comment:	<p>Previous inspections observed spills throughout the working pad surface of the Location. Inspections required Operator to comply with Rule 912.a and to clean spills/impacts to Table 915-1 cleanup concentrations.</p> <p>Though work to address the CA is in process, stained soils/impacts remain evident on the Location. CA will remain applicable until addressed in its entirety.</p>				
Corrective Action:	Clean up spills/releases per Rule 912.a. Clean/Remediate impacts to Table 915-1 standards.			Date:	
Comment:	See "Comment #1" at the end of this report.				
Corrective Action:	Securely fasten all valves, pipes, fittings, and Production Facilities to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 608.e.			Date:	
Comment:	See Comment #2 at the end of this report.				
Corrective Action:	Clean Spill- Remove and properly dispose fluids			Date:	08/22/2024
	Securely fasten all valves, pipes, fittings, and Production Facilities to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 608.e.				
Comment:	Spills at the tank loadouts have recurred; honeypot has filled with fluids.				
Corrective Action:	Remove and properly dispose fluids			Date:	08/22/2024
Comment:	See comment #1 at the end of this report.				
Corrective Action:	Clean up spills/releases per Rule 912.a			Date:	08/22/2024

In Containment: No

Comment:

☒ Multiple Spills and Releases?

Equipment:			corrective date
Type:	#		
Comment:	See "Comment #2" at the end of this report.		
Corrective Action:	Install or repair secondary containment measure; ensure containment measure remains impervious to contain a spill or release.		Date:

Venting:

Yes/No			
Comment:			
Corrective Action:		Date:	

Flaring:

Type		
Comment:		
Corrective Action:		Date:

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

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

Land Use: OTHER, RANGELAND

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 _____ Fail _____

Comment _____

See "Comment #3" at the end of this report.

Corrective Action _____

CA Per Inspection #696205473:

Comply with Rules 1002.c, 1003.f and 606.c. Ongoing weed management required until site receives a passing final reclamation inspection.

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? _____ Fail _____

Comment _____

Inspection #696205678 observed that the Anchors on the east and northeast end of the Location lack proper marking pursuant to Rule 1003.a and 603.j.

It was observed in this inspection that the anchors on the west, northwest and northeast corners of the Location have been remarked pursuant to Rules 1003.a and 603.j.

Anchor and marker on the southeast end of the Location has been buried- marker has not been installed or maintained. This CA remains applicable.

Corrective Action _____

CA Per Inspection #696205678:

Comply with Rule 1003.a and 603.j

Date _____

1003b. Area no longer in use? _____ 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? _____

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 See "Comment #4" at the end of this report.Corrective Action Corrective action per inspection #696205473:

Date _____

Comply with Rule 1003.b- conduct interim reclamation on the Location including, but not limited to, compaction alleviation, recontouring/regrading, replacement of topsoil and revegetation activities on areas not needed for production. Ensure the seed mixture used is provided by the Surface Owner, or Location Soil Conservation Service. BMPs to stabilize the seeded soils will be required upon completion of revegetation activities. Continue to monitor and manage interim areas until Location receives a passing final reclamation inspection.

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"/>

ECMC Comments

Comment	User	Date
Form 2 Permit to drill for the BHR Fed #J22-15-397-4RH well (05-103-11953) expired 12/28/2019.	trujilloam	07/22/2024
Submit a Form 4 to abandon well. THIS IS THE 4TH NOTICE ECMC STAFF HAS PROVIDED TO OPERATOR.		
COMMENT #4	trujilloam	07/22/2024
<p>Previous Inspections observed that interim reclamation pursuant to 1003 Rules has not been performed on the Location; areas on the west end of the Location are not reasonably needed for production operations on the Location, and require reclamation. Areas on the south end of the Location have not been reclaimed (gravel/rock material/road base evident and require removal). A 2nd access road exists on the east end of the Location; access road is unnecessary and also requires reclamation. Inspection required Operator to comply with Rule 1003.b. It was observed in this inspection that interim reclamation has NOT been conducted in accordance with 1003 Rules.</p> <p>Inspection #69620588 observed that interim reclamation work was apparent, however compaction alleviation (Cross-ripped to a minimum depth of 18 inches) was not performed in accordance with Rule 1003.c. Operator appears to have only roughened the top 1-3 inches of soil; compaction issues evident. Operator also appears to have mixed any gravel/road base material that was previously identified within these areas, rather than removing the material per CAs. Inspection also observed that the topsoil stockpile on the east end of the Location remains intact; Operator has not replaced topsoil during reclamation work.</p> <p>It was observed in this inspection that interim reclamation pursuant to 1003 Rules has not been performed; compaction remains apparent within the interim areas and the access road.</p> <p>This corrective action has not been addressed and remains applicable.</p>		
COMMENT #3	trujilloam	07/22/2024
<p>Previous inspections observed that BMPs to prevent weed establishment was inadequate at the topsoil stockpile; Undesirable Plant Species, including various mustard species (e.g. <i>Chorispora tenella</i>) observed over much of the topsoil stockpile. Inspection required Operator to comply with Rules 1002.c, 1003.f and 606.c.</p> <p>Unable to find evidence that BMPs and weed management activities to keep the topsoil stockpile free of Undesirable Plant Species have been implemented. Topsoil stockpile remains predominantly Undesirable Plant Species including Cheatgrass and mustards; work to address the corrective actions have not been performed, or has been inadequate.</p> <p>It is also noted that additional reclamation efforts have been conducted on the Location, however, topsoil stockpile remains intact- topsoil material has not been replaced over interim areas during reclamation work.</p>		

COMMENT #2	trujilloam	07/22/2024
<p>Inspection #696205678 observed that the partially buried containment BMP behind the compressor unit was not in proper functioning condition; lines leading into BMP are either leaking, and/or have not been properly sealed to the containment measure. Spills observed around the containment BMP. Inspection required Operator to install or repair secondary containment measure and to ensure containment measure remains impervious to contain a spill or release.</p> <p>It was observed in this inspection that the secondary containment BMP remains unchanged and inadequate. Additionally, fluids were observed spilled within the containment measure; tank stored within the BMP appears to be leaking.</p> <p>CA will remain applicable until work has been addressed in its entirety.</p>		
COMMENT #1	trujilloam	07/22/2024
<p>Previous inspection observed leaking at separator equipment, and other equipment (including the compressor) on the northeast end of the Location appears to have been controlled. Operator previously stated that a hole exists at the produced water tank; Operator plans on removing tank.</p> <p>It was observed that the tank with hole remains on Location.</p> <p>Additionally, the spill at the compressor appears to be recurring as fluids were observed spilled within the equipment.</p> <p>It is noted that work to address the CA is in process, however, CA will remain applicable until addressed in its entirety and all facilities on the location have been maintained in a good mechanical condition. Work to maintain compressor equipment required.</p>		

Attached Documents

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

Document Num	Description	URL
696205994	Inspection Photos	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6634280

--	--	--