

**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:

08/21/2024

Submitted Date:

08/26/2024

Document Number:

696206154

**FIELD INSPECTION FORM**Loc ID 430124 Inspector Name: Trujillo, Aaron On-Site Inspection ☐ 2A Doc Num: \_\_\_\_\_**Operator Information:**

ECMC Operator Number: 10396

Name of Operator: SWN PRODUCTION COMPANY LLC

Address: P.O. BOX 12359

City: SPRING State: TX Zip: 77391-

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

12 Number of Comments

10 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
Fischer, Alex		alex.fischer@state.co.us	
		swnsandwash@swn.com	
		liz_gee@swn.com	
		karen_maneotis@swn.com	
Neidel, Kris		kris.neidel@state.co.us	

**Inspected Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
430124	LOCATION	AC	09/06/2012		-	Lay Creek Facility	RI

**General Comment:**

On 8/21/2024, Reclamation Specialist Trujillo conducted a final reclamation inspection at SWN Production Company LLC's Lay Creek Facility location in Moffat County, Colorado.

Location was permitted (2A #400304735) and constructed by Quicksilver Resources Inc. SWN Production Company LLC acquired ownership of the Location/Facility in 2014 (Form 10 #2090517).

It was observed that the facility is no longer active, has not been maintained, and has not been closed pursuant to Rule 911 and 1004 requirements.

The following compliance issues were observed during this inspection:

- Decommissioning of O&G Facilities and Reclamation
- Storage of unused equipment, or equipment not necessary for production
- Trash/Debris
- Material handling and spill prevention procedures
- Signage requirements
- Wildlife protections
- Weed Management

All compliance issues observed will be documented within this report; however, due to the outstanding requirements for facility closure, and therefore reclamation, corrective action dates will not be provided, and this Location will remain out of compliance until the facility has been closed and reclaimed per ECMC Rules.

Refer to the Location, Environmental and Reclamation section 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.

**Location**Overall Good: ☐

<b>Signs/Marker:</b>			
Type	CONTAINERS		
Comment:	Several container/barrels/etc... observed throughout the Location missing required labelling.		
Corrective Action:	Comply with Rule 605.h.(3)		Date:
Type	BATTERY		
Comment:	Required signage not posted at the tank battery facility.		
Corrective Action:	Comply with Rule 605.e		Date:
Type	TANK LABELS/PLACARDS		
Comment:	Information on tanks either not posted, or labels are incorrect		
Corrective Action:	Comply with Rule 605.h		Date:

Emergency Contact Number:

Comment: Emergency contact information not posted on Location

Corrective Action: Comply with Rule 605 Operator telephone and emergency number requirements.

Date: \_\_\_\_\_

**Good Housekeeping:**

Type			
Comment:	Trash, debris and unused equipment and/or equipment not necessary for production observed improperly stored throughout the Location. Location appears to be being utilized as a storage yard.		
Corrective Action:	Comply with 606 Rules- The storage, placement, or maintenance of equipment, vehicles, trailers, commercial products, Chemicals, drums, totes, Containers, materials, and all other supplies not necessary for use on an Oil and Gas Locations is prohibited. Operators will properly dispose of all trash, rubbish, and other waste materials as nonhazardous/non-E&P solid waste, pursuant to Rule 906.c. All trash, rubbish, and other waste material will be properly contained until removed from the Oil and Gas Location. At no time will trash, debris, or rubbish be placed or remain on the ground.		Date:
Type	WEEDS		
Comment:	Undesirable and Noxious Plant Species observed established throughout the Location. Weed species include Knapweed and Scotchthistle.		
Corrective Action:	Comply with Rule 606.c- Oil and Gas Locations will be kept free of all Undesirable Plant Species.		Date:

Overall Good: ☐

<b>Spills:</b>				
Type	Area	Volume		

In Containment: No

Comment:

☐ Multiple Spills and Releases?

<b>Equipment:</b>			corrective date
Type:	#		
Comment:	Several tanks/containers/barrels with unknown chemicals observed improperly stored on the Location without BMPs to prevent or contain a spill or release.		
Corrective Action:	Comply with Rule 1002.f and implement proper material handling and spill prevention procedures and practices on the Location.		Date:
Type:	#		

Comment:	Wildlife protection measures to prevent wildlife access to containers/tanks/pipe/equipment/secondary containment measures/etc... observed to be missing or insufficient throughout the Location.		
Corrective Action:	Comply with Rule 902.b- Install or repair wildlife protection equipment.	Date:	

**Tanks and Berms:**

Contents	#	Capacity	Type	Tank ID	SE GPS	
	3				,	
Comment:	Three tanks located at the battery facility. Contents labels indicate "Produced Water, Oil-Water, Condensate". No capacity information posted; operator information incorrected.  Battery facility requires closure and removal.					
Corrective Action:						Date:

**Paint**

Condition	
Other (Content)	
Other (Capacity)	
Other (Type)	

**Berms**

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Comment:					
Corrective Action:					Date:

**Venting:**

Yes/No			
Comment:			
Corrective Action:	Date:		

**Flaring:**

Type		
Comment:		
Corrective Action:		Date:

Inspected Facilities									
Facility ID:	430124	Type:	LOCATION	API Number:	-	Status:	AC	Insp. Status:	RI
The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12									

Environmental	
<b>Spill/Remediation:</b>	
Comment:	Inspection #694500399 conducted by NW EPS Neidel required Operator to comply with Rule 911 for closure of O&G Facility requirements, and to submit a Form 27 by 7/1/2022.  To date, no Form 27 has been submitted for the closure of the Lay Creek Facility.
Corrective Action:	<div>Corrective Action per Inspection #694500399:  Per ECMC Rule 911, A FORM 27 and Investigation shall be completed as a part of decommissioning of this location.</div> <div>Date: _____</div>
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: 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 \_\_\_\_\_

Comment \_\_\_\_\_

Corrective Action \_\_\_\_\_ 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? \_\_\_\_\_

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 REVEGETATION**Cropland

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 \_\_\_\_\_

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 **Fail** No disturbance /Location never built \_\_\_\_\_

Access Roads Regraded **Fail** Contoured **Fail** Culverts removed \_\_\_\_\_

Gravel removed \_\_\_\_\_

Location and associated production facilities reclaimed **Fail** Locations, facilities, roads, recontoured **Fail**

Compaction alleviation **Fail** Dust and erosion control \_\_\_\_\_

Non cropland: Revegetated 80% **Fail** Cropland: perennial forage \_\_\_\_\_

Weeds present **Fail** 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:	<p>Based on ECMC Records, including Flowline records, all wells and other facilities associated with this Location have been closed.</p> <p>The closure of this O&amp;G Facility, and the subsequent reclamation of the Location is outstanding.</p> <p>See the "Environmental" section of this report regarding facility closure requirements.</p>	Date _____
	<p>Immediately comply with Rule 1004.a and remove all surface equipment, trash, debris, etc... improperly stored and remaining on the Location.</p> <p>Upon closure of the Lay Creek Facility pursuant to Rule 911, Operator shall complete all remaining outstanding reclamation activities including, but not limited to, removal of gravel, compaction alleviation, recontouring/regrading, revegetation activities, etc... in accordance with 1004 requirements.</p>	
Overall Final Reclamation <span style="color: red;">Fail</span> Well Release on Active Location <input type="checkbox"/> Multi-Well Location <input type="checkbox"/>		

**Attached Documents**

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

Document Num	Description	URL
696206155	Inspection Photos	<a href="https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6682227">https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6682227</a>