

**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: _____

Status Summary:

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

Operator Information:

ECMC Operator Number: 10396
 Name of Operator: SWN PRODUCTION COMPANY LLC
 Address: P.O. BOX 12359
 City: SPRING State: TX Zip: 77391-

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	
Neidel, Kris		karen_manerotis@swn.com	
		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It was observed that the facility is no longer active, has not been maintained, and has not been closed pursuant to Rule 911 and 1004 requirements.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: <input type="checkbox"/>			
Signs/Marker:			
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: <input type="checkbox"/>			
Spills:			
Type	Area	Volume	
In Containment: No			
Comment: <input style="width: 100%;" type="text"/>			
<input type="checkbox"/> Multiple Spills and Releases?			
Equipment:			
Type:		#	corrective date
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

Spill/Remediation:

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: 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.

Date: _____

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&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> <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>	Date _____
<p>Overall Final Reclamation Fail Well Release on Active Location <input type="checkbox"/> Multi-Well Location <input type="checkbox"/></p>		

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	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6682227