

**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:

09/11/2024

Submitted Date:

09/13/2024

Document Number:

715500650

**FIELD INSPECTION FORM**

Loc ID 312984 Inspector Name: Burchett, Kirby 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: 3975  
Name of Operator: ARGALI EXPLORATION COMPANY  
Address: PO BOX 416  
City: RANGELY State: CO Zip: 81648

**Findings:**

- 16 Number of Comments
- 7 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 |
|-------------------|----------------|------------------------------------|---------|
| Rector, Jeff      | (970) 629-2614 | jbrduco@yahoo.com                  |         |
| Engineering, ECMC |                | dnr_cogccengineering@state.co.us   |         |
| Rector, Brian     | (970) 629-1906 | brector1983@gmail.com              |         |
| , Inspections     |                | argaliexplorationcompany@gmail.com |         |

**Inspected Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num   | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|---------------|-------------|
| 116598      | PIT  | AC     | 09/23/1999  |            | -         | SCHIECK 11-31 | AC          |
| 223168      | WELL | PR     | 12/01/2023  | GW         | 081-06530 | SCHIECK 11-31 | PR          |

**General Comment:**

ECMC Inspection Report Summary

On Wednesday, 09/11/2024, Inspector Kirby Burchett, conducted a follow up field inspection at Argali Exploration Company on the McWilliams 2-31 well, Location #312949, in Moffat County, Colorado.

This location is within or close proximity to a Parks & Wildlife (CPW) District with High Priority, NSO, Density and Other Consultation Habitat regulations.

Any Corrective Actions from previous Inspections are still applicable.

Follow up inspection in response to compliance issues observed during Insp. #715500015 on 5/14/24. The following Corrective Actions are unresolved and original due dates remain:

1. Random debris.
2. Unused equipment.
3. Production pit open to wildlife.
4. Condensate tank lacking containment.
5. Peeling container label

Refer to Inspection Photos for observed compliance issues.

Review of production records indicate operator is delinquent in submitting monthly operations reports.

While there during normal operations the following compliance issue was observed:

1. Weeds

Refer to Inspection Photos for observed compliance issues.

A follow up on this site inspection will be conducted to ensure all compliance issues have been corrected to comply with ECMC rules.

**Location**

Overall Good:

**Signs/Marker:**

|                    |  |  |                         |
|--------------------|--|--|-------------------------|
| Type               | OTHER  |  |                         |
| Comment:           | Separator units include attached storage tanks. No form of labeling or markers are present to identify a potential hazard or the contents of the storage tank.   |  |                         |
| Corrective Action: |  |  | Date:                   |
| Type               | WELLHEAD   |  |                         |
| Comment:           |  |  |                         |
| Corrective Action: |  |  | Date:                   |
| Type               | CONTAINERS   |  |                         |
| Comment:           | Methanol tank label illegible  |  |                         |
| Corrective Action: | Operators will ensure that container and tank labels are well maintained and legible, and will replace damaged or vandalized labels within 10 days of discovery that the label is no longer legible or is damaged. |  | Date: <u>05/23/2024</u> |
| Type               | TANK LABELS/PLACARDS   |  |                         |
| Comment:           | Operators will ensure that container and tank labels are well maintained and legible, and will replace damaged or vandalized labels within 10 days of discovery that the label is no longer legible or is damaged. |  |                         |
| Corrective Action: |  |  | Date:                   |

**Emergency Contact Number:**

Comment: 970-629-1906

Corrective Action: \_\_\_\_\_

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

**Good Housekeeping:**

|                    |   |  |                         |
|--------------------|---|--|-------------------------|
| Type               | UNUSED EQUIPMENT  |  |                         |
| Comment:           | Methanol tank, containment and condensate tank not in service   |  |                         |
| Corrective Action: | All equipment not hooked up or out of service will be removed from location.  |  | Date: <u>05/31/2024</u> |
| Type               | DEBRIS  |  |                         |
| Comment:           | Random debris   |  |                         |
| Corrective Action: | All excess materials, rubbish, supplies, trash, or other waste material will be properly contained until removed from the Oil and Gas Location. At no time will debris be placed or remain on the ground. |  | Date: <u>05/23/2024</u> |
| Type               | WEEDS   |  |                         |
| Comment:           | Oil and Gas Locations will be kept free of all Undesirable Plant Species.   |  |                         |
| Corrective Action: | Maintain noxious weed control on all disturbed and reclaimed areas as a result of Oil & Gas activities including access roads.  |  | Date: <u>09/19/2024</u> |

Overall Good:

**Spills:**

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

In Containment: No

Comment: \_\_\_\_\_

Multiple Spills and Releases?

|                    |                        |       |            |
|--------------------|------------------------|-------|------------|
| <b>Fencing/:</b>   |                        |       |            |
| Type               | PIT                    |       |            |
| Comment:           | Livestock in disrepair |       |            |
| Corrective Action: | Repair fencing         | Date: | 05/31/2024 |

|                                   |  |       |                 |
|-----------------------------------|--|-------|-----------------|
| <b>Equipment:</b>                 |  |       | corrective date |
| Type: Bradenhead                  | # 1  |       |                 |
| Comment:                          |  |       |                 |
| Corrective Action:                |  | Date: |                 |
| Type: Bird Protectors             | # 1  |       |                 |
| Comment:                          |  |       |                 |
| Corrective Action:                |  | Date: |                 |
| Type: Plunger Lift                | # 1  |       |                 |
| Comment:                          |  |       |                 |
| Corrective Action:                |  | Date: |                 |
| Type: Gas Meter Run               | # 1  |       |                 |
| Comment:                          |  |       |                 |
| Corrective Action:                |  | Date: |                 |
| Type: Horizontal Heated Separator | # 1  |       |                 |
| Comment:                          |  |       |                 |
| Corrective Action:                |  | Date: |                 |
| Type: Ancillary equipment         | # 1  |       |                 |
| Comment:                          | Containment full of debris and not in service. |       |                 |
| Corrective Action:                |  | Date: |                 |
| Type: Ancillary equipment         | # 1  |       |                 |
| Comment:                          | Methanol tank not in use.                      |       |                 |
| Corrective Action:                |  | Date: |                 |

**Tanks and Berms:**

| Contents           | #             | Capacity | Type      | Tank ID | SE GPS |
|--------------------|---------------|----------|-----------|---------|--------|
| CONDENSATE         | 1             | 100 BBLs | STEEL AST |         | ,      |
| Comment:           | Blowdown tank |          |           |         |        |
| Corrective Action: |               |          |           |         | Date:  |

**Paint**

|                  |  |
|------------------|--|
| Condition        |  |
| Other (Content)  |  |
| Other (Capacity) |  |
| Other (Type)     |  |

**Berms**

| Type  | Capacity   | Permeability (Wall) | Permeability (Base) | Maintenance |
|-------|------------|---------------------|---------------------|-------------|
| Earth | Inadequate |                     |                     |             |

|                    |  |                  |
|--------------------|--|------------------|
| Comment:           | Berm is way undersized and is adjacent to a natural drainage area.         |                  |
| Corrective Action: | Remove tank or relocate to a safer part of location with an adequate berm. | Date: 06/15/2024 |

**Venting:**

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

**Flaring:**

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

**Inspected Facilities**

Facility ID: 116598 Type: PIT API Number: - Status: AC Insp. Status: AC

The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

Facility ID: 223168 Type: WELL API Number: 081-06530 Status: PR Insp. Status: PR

**Producing Well**

Comment: [May 2024 Production Report](#)  
Review of production records indicate operator is delinquent in submitting monthly operations reports.

Corrective Action: **Operators will report all existing oil and gas Wells that are not Plugged and Abandoned on the Form 7, Operator's Monthly Report of Operations within 45 days after the end of each month.**

Date: 10/12/2024

The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

**Reclamation - Storm Water - Pit**

**Storm Water:**

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
|                  |                 |                         |                       |               |                          |         |

Comment: [Operator is responsible for maintaining Best Management Practices \(BMPs\) to control vehicle tracking and potential sediment discharges from operational roads, well pads, and other unpaved surfaces.](#)

Corrective Action:  Date: \_\_\_\_\_

**Pits:**  NO SURFACE INDICATION OF PIT

Type: Evaporation Lined: NO Pit ID: 116598 Lat: 40.605718 Long: -107.536671

Reference Point: \_\_\_\_\_ Other: \_\_\_\_\_ Length: \_\_\_\_\_ Width: \_\_\_\_\_

**Lining:**

Liner Type: \_\_\_\_\_ Liner Condition: \_\_\_\_\_

Comment:

Corrective Action  Date: \_\_\_\_\_

**Fencing:**

Fencing Type: Livestock Fencing Condition: Inadequate

Comment:

Corrective Action  Date: \_\_\_\_\_

**Netting:**

Netting Type: \_\_\_\_\_ Netting Condition: \_\_\_\_\_

Comment:

Corrective Action  Date: \_\_\_\_\_

Anchor Trench Present: \_\_\_\_\_ Oil Accumulation: \_\_\_\_\_ 2+ feet Freeboard: \_\_\_\_\_

Comment: [Pit is above and borders a natural drainage area.](#)

Corrective Action  Date: \_\_\_\_\_

**Attached Documents**

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

| Document Num | Description          | URL   |
|--------------|----------------------|---|
| 403920364    | INSPECTION SUBMITTED | <a href="https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6706102">https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6706102</a> |
| 715500651    | Inspection Photos    | <a href="https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6706095">https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6706095</a> |