

**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:

09/25/2024

Submitted Date:

10/04/2024

Document Number:

714001298**FIELD INSPECTION FORM**Loc ID 322108 Inspector Name: Mcdonough, Corey On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**ECMC Operator Number: 10841Name of Operator: AMERICAN HELIUM OPERATING LLCAddress: 600 TRAVIS STREET SUITE 5050City: HOUSTON State: TX Zip: 77002**Status Summary:**

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

Findings:6 Number of Comments2 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
		jfrost@americanhelium.us	Principal Agent
Gavito, Danielle	303-524-4651	dgavito@americanhelium.us	
		astory@americanhelium.us	All Inspections
Hankins, Neil	970-428-2742	nhankins@americanhelium.us	All Inspections

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
208984	WELL	PA	07/16/2012	GW	033-06089	FEDERAL LL 42X24	RI

General Comment:

On 9/25/2024 Reclamation Specialist Corey McDonough conducted a Final Reclamation Inspection at American Helium Operating's Federal LL 42x24 Location in Dolores County, Colorado. This is a follow up inspection to inspection doc # 690204135. Any Corrective Actions from previous inspections that have not been addressed are still applicable.

During the inspection the following compliance issues were observed

- Access road
- Equipment

Refer to the "Final Reclamation" section of this inspection report for additional details.

Refer to the photo-documentation of the observed compliance issues attached to this report.

Inspected Facilities									
Facility ID:	208984	Type:	WELL	API Number:	033-06089	Status:	PA	Insp. Status:	RI
The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12									

Reclamation - Storm Water - Pit

Interim Reclamation:

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

Land Use: _____

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 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 _____

Corrective Action _____ Date _____

Overall Interim Reclamation

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____ Date Final Reclamation Completed: _____

Final Land Use: _____

Reminder: _____

Comment: _____

Well plugged _____ Pit mouse/rat holes, cellars backfilled _____

Debris removed _____ No disturbance /Location never built _____

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

Gravel removed **Fail**

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

Compaction alleviation _____ Dust and erosion control _____

Non cropland: Revegetated 80% **Fail** 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: Inspection doc #690204135 observed failure to reclaim access road and well disturbance and required compliance by 7/16/2013. It was observed in this inspection that location and access road remain unreclaimed with old equipment/rsiers, flowlines and gravel observed throughout the project area. Original CA has not been addressed. Original CA and date remains applicable. No CA date is being provided as this location is out of compliance for the same Rule.

Corrective Action:	<div>Comply with rule 1004.</div> <div>Location is a federal surface location - Location remains subject to 1004 requirements, however final passing by the ECMC is subject to Federal Approval. It was observed in this inspection that Final Reclamation has not been performed in accordance with Rule 1004.</div> <div>Operator shall provide signed documentation from the BLM for any work to be done, or not done, in a manner that does not comport with ECMC rules; documentation shall be attached to a Form 4 Sundry Notice for ECMC Staff review.</div>	Date
Overall Final Reclamation	Fail	Well Release on Active Location <input type="checkbox"/>
		Multi-Well Location <input type="checkbox"/>

Storm Water:						
Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Comment:		<div>Inspection doc #690204135 observed erosion along portions of the access road and required compliance by 4/19/2023. It was observed in this inspection that challenged erosion is forming along the flowline adjacent to the access road. Original CA has not been addressed. Original CA and date remains applicable. No CA date is being provided as this location is out of compliance for the same Rule.</div>				
Corrective Action:		<div>Comply with rule 1002 Install or repair required BMPs.</div>				Date:
Pits: <input type="checkbox"/> NO SURFACE INDICATION OF PIT						

Attached Documents

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

Document Num	Description	URL
403946908	INSPECTION SUBMITTED	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6733955
714001301	Inspection Photos	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6733940