

**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:

10/16/2024

Submitted Date:

10/16/2024

Document Number:

715500837

FIELD INSPECTION FORM

Loc ID 313020 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:

- 14 Number of Comments
- 6 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	
Wilson, Justin	(970) 878-3825	jrwilson@blm.gov	
, Inspections		argaliexplorationcompany@gmail.com	
Rector, Brian	(970) 629-1906	brector1983@gmail.com	
Engineering, ECMC		dnr_cogccengineering@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
223376	WELL	SI	04/01/2024	GW	081-06740	FEDERAL 2-26	SI

General Comment:

ECMC Inspection Report Summary

On Wednesday, 10/16/2024, Inspector Kirby Burchett, conducted a follow up field inspection at Argali Exploration Company on the Federal 2-26 well, Location #313020, in Moffat County, Colorado.

This location is within or in close proximity to Parks and 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. #715500022 on 5/14/24 and Insp. #715500302 on 7/2/24. The following Corrective Actions are unresolved and original due dates remain:

1. Unused equipment.
2. Container label illegible.
3. Containment open to wildlife.
4. Tank missing required information.
5. Open ended load line.

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 no additional compliance issues were observed:

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	CONTAINERS		
Comment:	Container missing required information.		
Corrective Action:	Containers that are used to store, treat, or otherwise handle a hazardous material and which are required to be marked, placarded, or labeled in accordance with the U.S. Department of Transportation's Hazardous Materials Regulations, will retain the markings, placards, and labels on the Container. Such markings, placards, and labels will be retained on the Container until it is sufficiently cleaned of residue and purged of vapors to remove any potential hazards.	Date:	05/25/2024
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	BATTERY		
Comment:			
Corrective Action:		Date:	
Type	TANK LABELS/PLACARDS		
Comment:	Production tank missing required information		
Corrective Action:	All Tanks and Containers will be labeled pursuant to Rule 605. h. (1). All Tanks with a capacity of 10 Barrels or greater will be labeled or posted with the following information: Name of Operator; Operator's emergency contact telephone number; Tank capacity; Tank contents; and NFPA label or equivalent globally harmonized label.	Date:	05/25/2024
Type	WELLHEAD		
Comment:			
Corrective Action:		Date:	

Emergency Contact Number:		
Comment:	970-629-1906	
Corrective Action:		Date: _____

Good Housekeeping:			
Type	UNUSED EQUIPMENT		
Comment:	Methanol tank and containment not in service		
Corrective Action:	All equipment not hooked up or out of service will be removed from location.	Date:	05/30/2024

Overall Good:

Spills:			
Type	Area	Volume	

In Containment: No

Comment:

Multiple Spills and Releases?

Equipment:			corrective date
Type: Deadman # & Marked	# 3		
Comment:			

Corrective Action:		Date:	
Type: Other	# 1		
Comment:	Wellhead tree		
Corrective Action:		Date:	
Type: Horizontal Heated Separator	# 1		
Comment:			
Corrective Action:		Date:	
Type: Bradenhead	# 1		
Comment:			
Corrective Action:		Date:	
Type: Bird Protectors	# 1		
Comment:			
Corrective Action:		Date:	
Type: Flow Line	# 1		
Comment:	Wellhead to separator above ground		
Corrective Action:		Date:	
Type: Gas Meter Run	# 1		
Comment:			
Corrective Action:		Date:	
Type: Ancillary equipment	# 1		
Comment:	Out of Service methanol tank in containment open to wildlife.		
Corrective Action:	Remove containment or install wildlife protection equipment.	Date:	05/25/2024

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	1	300 BBLS	STEEL AST		
Comment:	Open end valve on tank.				
Corrective Action:	All load lines or tank valves that can be used as a load line will be capped or plugged.				Date: 05/20/2024

Paint

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

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate			
Comment:	No liner			
Corrective Action:				Date:

Venting:

Yes/No	NO
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Comment:			
Corrective Action:		Date:	

Flaring:

Type			
Comment:			
Corrective Action:		Date:	

Inspected Facilities

Facility ID: 223376 Type: WELL API Number: 081-06740 Status: SI Insp. Status: SI

Idle Well

Purpose: Shut In Temporarily Abandoned Reminder: _____

Comment: Shut In - April 2024
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. A Well will be reported every month from the month that it is spud until it has been reported for one month as abandoned. Each formation that is completed in a Well will be reported every month from the time that it is completed until it has been abandoned and reported for one month as abandoned. The reported volumes will include all Fluids produced during Flowback, initial testing, completion, and production of the Well.

Date: 11/16/2024

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
				Material Handling And Spill Prevention	Fail	Unlabeled tank. Containment open to wildlife.
Berms						
Ditches						
		Ditches				
		Drains				

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

Attached Documents

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

Document Num	Description	URL
715500838	Inspection Photos	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6749510