

**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:

03/02/2022

Submitted Date:

03/04/2022

Document Number:

696203454

FIELD INSPECTION FORMLoc ID 391071 Inspector Name: Trujillo, Aaron On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**

OGCC Operator Number: 49100

Name of Operator: KOCH EXPLORATION COMPANY LLC

Address: 950 17TH STREET #1900

City: DENVER State: CO Zip: 80202

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

4 Number of Comments

2 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 |
|--------------|-------|--------------------------|---------|
| | | debbie.lutz@state.co.us | |
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Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|----------|--------|-------------|------------|-----------|--------------------------------|-------------|
| 221629 | WELL | PA | 07/09/1997 | DA | 077-08231 | HORSESHOE CANYON 4 | RI |
| 391071 | LOCATION | CL | | | - | HORSESHOE CANYON-69S97W 33SENE | RI |

General Comment:

On 3/2/2022, Reclamation Specialist Trujillo conducted a final reclamation and stormwater inspection at KOCH EXPLORATION COMPANY LLC's HORSESHOE CANYON-69S97W /33SENE location in Mesa County, Colorado.

This inspection is also in response to a bond release request by the Operator, and to Form 4 #402922904 stating Final Reclamation is complete in accordance with Rule 1004.c.

It was observed that final reclamation and revegetation of the Location has not been completed in accordance with 1004 rules.

The following compliance issues were observed during this inspection:

1004.c.(2): Final Reclamation on Non-cropland
1004.e / 606.c : Undesirable (Noxious) Plant Species
1002.f: Stormwater Management

Refer to the "Reclamation" and "Stormwater" sections 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 inspections that have not been addressed are still applicable.

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

| Inspected Facilities | | | | | | | | | |
|----------------------|--------|-------|----------|-------------|-----------|---------|----|---------------|----|
| Facility ID: | 221629 | Type: | WELL | API Number: | 077-08231 | Status: | PA | Insp. Status: | RI |
| | | | | | | | | | |
| Facility ID: | 391071 | Type: | LOCATION | API Number: | - | Status: | CL | Insp. Status: | RI |
| | | | | | | | | | |

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 Marker on site](#)

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

Debris removed _____ No disturbance /Location never built _____

Access Roads _____ Regraded _____ Contoured _____ Culverts removed _____

Gravel removed _____

Location and associated production facilities reclaimed _____ Locations, facilities, roads, recontoured _____

Compaction alleviation _____ 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:

Operator submitted Form 4 #402922904 on 1/11/2022 stating Final Reclamation is complete in accordance with Rule 1004.c. It was observed in this inspection that the Location has not achieved an 80% uniform desirable perennial vegetative cover to that of the reference; Location is bare or predominantly Undesirable Plant Species such as Kochia, Salsola sp., and Halogeton (a Colorado State listed noxious weed), and not reflective of the reference. See attached photo document.

Stormwater and stabilization concerns also observed (see "stormwater").

Corrective Action:

Comply with 1004 Rules: Conduct reclamation to ensure Location progresses towards 1004 final reclamation standards; establish vegetation with total perennial, non-invasive uniform plant cover of at least eighty (80) percent of pre-disturbance or reference area levels.

Conduct weed management to prevent further establishment and spread of Undesirable and Noxious Weed Plant Species; ongoing weed management required until location passes final reclamation.

Ensure erosion controls are implemented to stabilize the seeded soil, and continue to monitor and manage this site until Final Reclamation has passed.

Date **05/31/2022**

Overall Final Reclamation

FailWell Release on Active Location ☐Multi-Well Location ☐**Storm Water:**

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

Comment:

It was observed in this inspection that stormwater and erosion control measures on the Location are missing or inadequate; Operator appears to have implemented a single wattle row along the downslope perimeter of the Location; control has not been installed in accordance with good engineering practices, or maintained in a proper functioning condition; runoff observed cutting under sections of wattle, and sediment was observed discharged over other sections. Control measures to stabilize the slopes/soils of the location not observed.

Corrective Action:

Install or repair required BMPs per Rule 1002.f.(2)C. Continue to monitor and manage stormwater on the Location; ensure stormwater sediment and erosion control BMPs are implemented in accordance with good engineering practices, and maintained in proper functioning condition. Ongoing stormwater management is required until site receives a passing final inspection.

Date: **03/07/2022**Pits: ☐ NO SURFACE INDICATION OF PIT**Attached Documents**

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

| Document Num | Description | URL |
|--------------|----------------------|---|
| 402973887 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5682053 |
| 696203455 | Inspection Photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5682047 |
| 696203456 | Inspection Request | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5682048 |