

**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:

03/13/2023

Submitted Date:

03/13/2023

Document Number:

696204758

FIELD INSPECTION FORMLoc ID 314696 Inspector Name: Trujillo, Aaron On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**

OGCC Operator Number: 16700

Name of Operator: CHEVRON USA INC

Address: 760 HORIZON DRIVE STE 401

City: GRAND JUNCTION State: CO Zip: 81506

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

16 Number of Comments

8 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
Olson, Andrew	(970) 257-6079	andrewolson@chevron.com	
Arthur, Denise		denise.arthur@state.co.us	
Sanford, Anita		Anita.Sanford@scoutep.com	Rangely Field
Patterson, Chris		Chris.Patterson@scoutep.com	
,		RangelyRegulatory@scoutep.com	Rangely Field

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
229318	WELL	SI	11/01/2022	ERIW	103-06419	MCLAUGHLIN, A C 55X	RI
314696	LOCATION	AC			-	MCLAUGHLIN, A C-62N103W 14SWSW	RI

General Comment:

On 3/13/2023, Reclamation Specialist Trujillo inspected Chevron USA's MCLAUGHLIN, A C #55X location in Rio Blanco County, Colorado.

Well records show Chevron USA Inc as the designated Operator for the Location. Form 9(s) 402890516 transferring the Location/Well from Chevron to Scout Energy management currently "in process". Chevron remains the Operator responsible for the management of the Location until the Form 9 is approved.

Form 4 #403301165 states that "Injection Well was shut in 10/5/2022 for suspected tubing failure". It was observed that work to address the Well appears to be "in process" at time of inspection.

The following compliance issues were observed during this inspection:

- Stormwater: Missing or insufficient tracking BMPs
- Stormwater/Soil stockpiles: Missing of insufficient BMPs at stockpiles soils
- Surface disturbance minimization
- Spills
- Improper storage of production equipment.
- Labeling on tanks.
- Trash
- Cellar not covered.

Due to the nature of the observed compliance issues, there are corrective action dates of "Date of Inspection", or 3/13/2023, that are being provided.

Refer to the "Location", "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.

Location			
Lease Road:			
Type			
comment:	See "Stormwater" for related tracking issues associated with the Location and access road.		
Corrective ActionL		Date:	
Overall Good: <input type="checkbox"/>			
Signs/Marker:			
Type	TANK LABELS/PLACARDS		
Comment:	Two tanks observed on Location. One tank with label stating "Fresh Water", unable to observe labeling on second tank. No additional required information observed on tanks: Sign or label not posted or information inaccurate on tanks or containers or sign/label too small to read at distance or installed in place where not visible.		
Corrective Action:	Install sign to comply with Rule 605.h.	Date:	04/14/2023
Type	OTHER		
Comment:	Location entrance		
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:			
Corrective Action:		Date:	
Emergency Contact Number:			
Comment:	970-675-3709		
Corrective Action:		Date:	
Good Housekeeping:			
Type	STORAGE OF SUPL		
Comment:	Operator appears to be in the process of well repair; well equipment observed improperly stored on the edge of the working pad area; fluids observed on, and within the equipment, resulting in impacts to soils beneath and adjacent to the equipment.		
Corrective Action:	Implement BMPs and properly store equipment in a manner that minimizes pollution.	Date:	03/13/2023
Type	TRASH		
Comment:	Various trash and debris (including rags, cans, bottles, cigarette butts, etc...) observed throughout the working pad.		
Corrective Action:	Comply with Rule 606.	Date:	03/20/2023
Overall Good: <input type="checkbox"/>			
Spills:			
Type	Area	Volume	
Comment:	Stained soils observed throughout the working pad area, and beneath disassembled well equipment improperly stored.		
Corrective Action:	Clean up/remove stained soils per Rule 912.a.	Date:	04/13/2023
In Containment: No			
Comment:			
<input type="checkbox"/> Multiple Spills and Releases?			

Equipment:			corrective date
Type: Other	#		
Comment:	At time of writing inspection, Operator returned to the Location to continue work on the wellhead. Upon departure, Operator failed to replace covers, or implement other BMPs to minimize wildlife, and/or unauthorized persons access to the cellar and the well.		
Corrective Action:	Comply with Rule 406.e.(1)		Date: 03/13/2023

Venting:

Yes/No			
Comment:			
Corrective Action:		Date:	

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Inspected Facilities									
Facility ID:	229318	Type:	WELL	API Number:	103-06419	Status:	SI	Insp. Status:	RI
Facility ID:	314696	Type:	LOCATION	API Number:	-	Status:	AC	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 _____ Fail _____

Comment _____

It was observed in this inspection that Operator has developed a 2nd point of access to the location, north of the main entrance along the access road; access point does not appear to exist prior to the recent work currently occurring on site; unable to find evidence that Operator implemented BMPs to protect the topsoil resource. Operator has failed to minimize surface disturbance, and restrict vehicle travel to the working pad and access road boundary.

Corrective Action _____

Comply with 1002.e and restrict vehicle travel to the designated working pad and access road. See "Interim Reclamation" for corrective action related to the reclamation of the disturbed areas.

Date **03/13/2023**

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

It was observed in this inspection that Operator has developed a 2nd point of access to the location, north of the main entrance along the access road; access point does not appear to exist prior to the recent work currently occurring on site; unable to find evidence that Operator implemented BMPs to protect the topsoil resource. Operator has failed to minimize surface disturbance, and restrict vehicle travel to the working pad and access road boundary. Areas require reclamation.

Corrective Action

Comply with 1003 rules and conduct reclamation on disturbed areas due to off-location vehicle travel.

Date **04/15/2023**

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 _____ 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% _____ 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:						
Corrective Action:						Date
Overall Final Reclamation		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: It was observed in this inspection that BMPs to stabilize the working pad and access road, as well as to minimize tracking and off-site sediment transport are missing or insufficient; tracking/rutting observed; off-site sediment transport onto Highway 64 also observed from the access road.

It was also observed that Operator appears to have pushed soils beyond the perimeter of the working pad; soils were observed covering vegetation; soils are unconsolidated and a pollutant source; BMPs to minimize off-site sediment transport from the soils missing or insufficient.

Corrective Action: Install or repair required BMPs per Rule 1002.f.(2)

Date: 03/13/2023

Pits: ☐ NO SURFACE INDICATION OF PIT

COGCC Comments

Comment	User	Date
Note: At time of writing inspection, Operator returned to the Location to continue work on the wellhead. Upon departure, Operator was observed removing the wellhead equipment from the Location observed improperly stored on the Northeast end of the site. Including corrective action for documentation purposes; stained soils remain apparent.	trujilloam	03/13/2023
Reclamation Specialist contacted Operator (Anita Sanford) at 14:30 hours to provide notices of the corrective actions/dates.	trujilloam	03/13/2023

Attached Documents

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

Document Num	Description	URL
403344617	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6048630
696204759	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6048629