

FORM
INSPRev
X/20State of Colorado
Oil and Gas Conservation Commission1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109

Inspection Date:

09/18/2023

Submitted Date:

09/26/2023

Document Number:

708200568

FIELD INSPECTION FORM

 Loc ID 471039 Inspector Name: Edwardson, Dylan 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:
 OGCC Operator Number: 10814
 Name of Operator: MDS ENERGY DEVELOPMENT LLC
 Address: 409 BUTLER RD SUITE A
 City: KITTANNING State: PA Zip: 16201
Findings:

- 9 Number of Comments
5 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 |
|-----------------|-------|---------------------------|---------|
| SAADEH, RICHARD | | richard.saadeh@mdsed.com | |
| CHAPARRO, SIJI | | siji.chaparro@iptwell.com | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|----------|--------|-------------|------------|-----------|---------------------|-------------|
| 471039 | LOCATION | AC | | | - | Castor 7-59 10 | CI |
| 471064 | WELL | DG | 11/23/2022 | LO | 123-50750 | CASTOR 7-59 10-3-1 | CI |
| 471065 | WELL | DG | 11/22/2022 | LO | 123-50751 | CASTOR 7-59 10-3-5 | CI |
| 471066 | WELL | DG | 11/24/2022 | LO | 123-50752 | CASTOR 7-59 10-3-8 | CI |
| 471069 | WELL | DG | 11/25/2022 | LO | 123-50755 | CASTOR 7-59 10-3-12 | CI |

General Comment:

This is a follow-up Construction and Stormwater Inspection for Location ID (471039) and Field Inspection Report (doc #708200062).

Location

Overall Good:

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Good Housekeeping:

| | | | |
|--------------------|---|-------|------------|
| Type | TRASH | | |
| Comment: | Trash was observed throughout the location. Refer to attached inspection photos. | | |
| Corrective Action: | Comply with Rule 606. Location will remain out of compliance until the corrective action has been resolved. | Date: | 09/18/2023 |
| Type | WEEDS | | |
| Comment: | Undesirable vegetation (e.g. russian thistle and kochia) was observed throughout the location. Refer to attached inspection photos. | | |
| Corrective Action: | Comply with Rule 606. Location will remain out of compliance until the corrective action has been resolved. | Date: | 09/18/2023 |

Overall Good:

Spills:

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

In Containment: No

Comment:

Multiple Spills and Releases?

Venting:

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

Flaring:

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

Location Construction

Location ID: 471039 CDP: _____

Comment:

Corrective Action:

Date: _____

Form 2A COAs:

Comment: Previous Comment: Per Wildlife BMP/COA #12 on the Approved Form 2A (Doc #401906116) "Operator will conduct a survey for Plains Sharp Tail Grouse presence and active leks in the area of the mapped SWH and RSO during the 2020 nesting season. Results of the survey shall be reported to the COGCC via a Form 4 Sundry and to the CPW prior to commencing any construction, drilling, and well completion activities in 2020. Operator shall have a third party conduct one PSTG survey in the spring of 2020". It does not appear the Operator has submitted results from the 2020 PSTG survey, as no document could be found within the location's file.

It appears the Operator has performed the previous corrective action and has submitted the 2020 PSTG survey as required by Wildlife BMP/COA #12 via Form 4 Sundry (doc #403354973).

Corrective Action:

Date: _____

Wildlife BMPs:

Comment: Previous Comment: Per Wildlife BMP/COA #9 on the Approved Form 2A (Doc #401906116) "The operator agrees to install raptor perch deterrents on equipment, fences, cross arms and pole tops in plains sharp-tailed grouse habitat". During this inspection, Staff did not observe any raptor perch deterrents on the perimeter fences.

It appears the Operator has performed the previous corrective action and has installed raptor perch deterrents on the perimeter fencing. Some deterrent devices require maintenance (e.g. screws falling out); continue to implement deterrents on all new equipment.

Corrective Action:

Date: _____

Comment:

Corrective Action:

Date: _____

On Site Inspection (305):

Surface Owner Contact Information:

Name: _____ Address: _____

Phone Number: _____ Cell Phone: _____

Operator Rep. Contact Information:

Landman Name: _____ Phone Number: _____

Date Onsite Request Received: _____ Date of Rule 306 Consultation: _____

Request LGD Attendance: _____

LGD Contact Information:

Name: _____ Phone Number: _____ Agreed to Attend: _____

Summary of Landowner Issues:

Summary of Operator Response to Landowner Issues:

Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:

Inspected Facilities

Facility ID: 471039 Type: LOCATION API Number: - Status: AC Insp. Status: CI

Facility ID: 471064 Type: WELL API Number: 123-50750 Status: DG Insp. Status: CI

Facility ID: 471065 Type: WELL API Number: 123-50751 Status: DG Insp. Status: CI

Facility ID: 471066 Type: WELL API Number: 123-50752 Status: DG Insp. Status: CI

Facility ID: 471069 Type: WELL API Number: 123-50755 Status: DG Insp. Status: CI

Reclamation - Storm Water - Pit

Interim Reclamation:

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

Land Use: RANGELAND

Comment: _____

1002 SITE PREPARATION AND STABILIZATION

1002a. FENCING _____

Comment _____

Corrective Action _____

Date _____

1002b. SOIL REMOVAL AND SEGREGATION In _____

Comment This location does not comply with Rule 1002.b. COGCC staff performed calculations of the topsoil stockpile and estimates that there is approximately 5,925 cubic yards of topsoil salvaged and stored on the northern end of the location. This is equivalent to approximately 4" of topsoil removed from the location. The location is almost entirely in one soil unit (54: Platner loam) with an average topsoil depth of 11" (UC Davis SoilWeb); additionally, Staff conducted a soil pit and determined there is approximately 10" of top soil on location. The Operator should have salvaged approximately 14,639 cubic yards of topsoil over a 10.9 acre disturbance area (e.g. size of pad, not including topsoil underneath stockpile) at a depth of at least 10".

Corrective Action The Operator submitted Form 4 Sundry (doc #403526439) on 09/11/2023 with an attached "Topsoil Importation Plan". Staff is currently reviewing the topsoil importation plan and awaiting additional information from the Operator as of 09/26/2023. Therefore, this corrective action is being left "In-Process" until the corrective action has been addressed in its entirety.

Date _____

1002c. PROTECTION OF SOILS Fail _____

Comment This location does not comply with Rule 1002.c. Previous inspections documented that all stockpiled soils had been seeded and straw crimped for stabilization. During this inspection, Staff observed that the topsoil stockpile and the areas outside of the active drilling operations are predominantly undesirable vegetation (e.g. kochia and russian thistle), with areas of bare and exposed soils also observed.

Corrective Action Comply with Rule 1002.c. Location will remain out of compliance until the corrective action Date has been resolved.

Rule 1002.c. states all stockpiled soils shall be protected from degradation due to contamination, compaction and, to the extent practicable, from wind and water erosion during drilling and production operations. Best management practices to prevent weed establishment and to maintain soil microbial activity shall be implemented.

Date **09/18/2023**

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 REVEGETATION

Cropland

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 [Operator shall comply with interim reclamation timing requirements. Refer to "Notice to Operators: Interim Reclamation Procedures for Delayed Operations" found on ECMC website under the following tabs "Regulation" -> "Policies" for additional information.](#)

Corrective Action

Date _____

Overall Interim Reclamation

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____

Date Final Reclamation Completed: _____

Final Land Use: RANGELAND

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 Multi-Well Location

Storm Water:

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

Comment: Previous Comment: The sediment trap in the northwest corner of the location appears to be inadequate in size and does not seem sufficient enough to capture a stormwater event for the size of the location. Additionally, an animal burrow was observed on the western berm of the aforementioned sediment trap. Refer to attached inspection photos for documentation.

09/18/2023 Comment: It does not appear any work to improve and/or implement more robust stormwater control measures has been performed since the previous inspection. The NW corner sediment trap remains inadequate in size. Refer to attached inspection photos.

Corrective Action: Install or repair required BMPs per Rule 1002.f.(2)C. Corrective action date is being back-dated to when the location was first observed out of compliance. Date: 03/15/2023

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 |
|--------------|----------------------|---|
| 403542546 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6265030 |
| 708200569 | Inspection Photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6265027 |