

**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:

09/26/2023

Submitted Date:

10/03/2023

Document Number:

709100113

FIELD INSPECTION FORMLoc ID 312344 Inspector Name: Heibel, Krystal On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**

OGCC Operator Number: 10017

Name of Operator: CHACO ENERGY COMPANY

Address: P O BOX 1587

City: DENVER State: CO Zip: 80201

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

14 Number of Comments

10 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
Nelson, Kurt	(303) 744-1480	kurt@chacoenergy.com	All Inspections
Krystal Heibel	303-817-5217	krystal.heibel@state.co.us	
Nelson, Alan	(405) 942-3751/ (405)623-7677	chaco@swbell.net	All Inspections

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
116322	PIT	AC			-	SOME STATE	EI
221209	WELL	PR	11/09/1960	OW	075-60004	SOME-STATE 1	EI
312344	LOCATION	AC			-	SOME-STATE-67N51W 18SESE	EI

General Comment:

This is an environmental inspection of Chaco Energy Company's Some-State well (API 05-075-60004) and the unlined Some-State pit (Facility ID: 116322).

ECMC inspector Krystal Heibel arrived onsite on September 26, 2023, around 10:40 AM to perform an Environmental Inspection.

Any corrective actions from previous forms that have not been addressed are still applicable. Photos are attached to document site conditions at the time of the inspection.

Location				
Lease Road:				
Type	Access			
comment:	Access road was well maintained.			
Corrective Action	L			Date:
Overall Good: <input type="checkbox"/>				
Emergency Contact Number:				
Comment:	Sign not posted or information inaccurate at oil and gas location. Emergency contact number on tanks are illegible from a distance.			
Corrective Action:	Install sign to comply with Rule 605.a.			Date: 11/03/2023
Good Housekeeping:				
Type	TRASH			
Comment:	Trash (old tires, rusty pipe, metal springs, dirty cloths) dispersed throughout the location.			
Corrective Action:	Comply with Rule 606			Date: 10/12/2023
Overall Good: <input type="checkbox"/>				
Spills:				
Type	Area	Volume		
Crude Oil		>= 5 bbls		
Comment:	Hydrocarbon-stained soil observed (visually and olfactory) along the pit's berms. Routine AVO inspections must be conducted and oily waste removed and properly disposed of.			
Corrective Action:	Control and contain spills/releases and clean up per Rule 912.a. Comply with Rules 609.d. and 905.e.			Date: 11/03/2023
Crude Oil	WELLHEAD	<= 1 bbl		
Comment:	Stained soil observed around the wellhead's polish rod, outside of secondary containment, and around the pump jack			
Corrective Action:	Comply with Rules 609.d. and 905.e.			Date: 11/03/2023
Produced Water				
Comment:	Evidence of a produced water spill / salt kill observed southeast of the wellhead and south of the pit. Operator shall submit a Form 19 Initial (See Corrective Action Below)			
Corrective Action:	Operator shall provide an explanation of how the volume of liquids spilled was calculated on the Form 19 Initial Report. In accordance with 913.d.(1) Operator will investigate impacts to soil, Groundwater, and surface water as soon as the impacts are discovered. Per Rule 912.b.(3) Operator will submit a Supplemental Form 19 within 10 days of spill discovery (10/14/2023).			Date: 10/14/2023
Crude Oil	Tank	<= 1 bbl		
Comment:	Hydrocarbon-stained soils observed among the tanks.			
Corrective Action:	Control and contain spills/releases and clean up per Rule 912.a.			Date: 11/03/2023
In Containment: No				
Comment:				
<input checked="" type="checkbox"/> Multiple Spills and Releases?				
Equipment:				
Type: Other	#			corrective date
Comment:	Wildlife protections devices not adequate. No netting around the secondary containment fluids next to the wellhead.			
Corrective Action:	Install or repair wildlife protection equipment.			Date: 10/13/2023

Type: Other	# 1	
Comment:	Unauthorized tube allowing discharge or disposal of oil, gas, E&P Waste, chemical substances, trash discarded equipment or other oil field waste next to meter shed beside the separator.	
Corrective Action:	Prevent any unauthorized discharge	Date: 10/13/2023

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
Comment:					
Corrective Action:					Date:

Paint

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

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Inadequate	Walls Insufficient	Base Insufficient	Inadequate
Comment:	Inadequate berms around tank(s). There is no secondary containment separating the pit from the tank battery. Soil erosion observed around pit.			
Corrective Action:	Repair or install berms or other secondary containment devices per Rule 912.d.(1).			Date: 10/24/2023

Venting:

Yes/No		
Comment:		
Corrective Action:		Date:

Flaring:

Type	
Comment:	
Corrective Action:	Date:

Inspected Facilities									
Facility ID:	116322	Type:	PIT	API Number:	-	Status:	AC	Insp. Status:	EI
Facility ID:	221209	Type:	WELL	API Number:	075-60004	Status:	PR	Insp. Status:	EI
Facility ID:	312344	Type:	LOCATION	API Number:	-	Status:	AC	Insp. Status:	EI

Reclamation - Storm Water - Pit**Storm Water:**

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

Comment: Corrective Action: Date: **Pits:** ☐ NO SURFACE INDICATION OF PIT

Type: Lined: NO Pit ID: 116322 Lat: 40.570749 Long: -103.106381

Reference Point: Other: Length: Width:

Lining:Liner Type: OtherLiner Condition:

Comment: The Latitude and Longitude coordinates for the observed pit (Facility ID: 116322) are incorrect. No pit permit on file for the second pit on location.

Corrective Action:

Submit an eForm 15 Pit Report to update ECMC records with current information to comply with rule 908.a for the existing pit, and submit an eForm 15 Pit Report for the second pit on location.

Date: 10/19/2023**Fencing:**Fencing Type: Fencing Condition: Comment: Corrective Action: Date: **Netting:**Netting Type: Netting Condition: Comment: Corrective Action: Date: Anchor Trench Present: Oil Accumulation: 2+ feet Freeboard: Comment: Corrective Action: Date: **Attached Documents**

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

Document Num	Description	URL
709100119	photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6272402