

**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:

07/21/2021

Submitted Date:

07/26/2021

Document Number:

696202954**FIELD INSPECTION FORM**Loc ID 324464 Inspector Name: Trujillo, Aaron On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**OGCC Operator Number: 10515Name of Operator: GUNNISON ENERGY LLCAddress: 1801 BROADWAY #1150City: DENVER State: CO Zip: 80202**Status Summary:**

- ☒ THIS IS A FOLLOW UP INSPECTION
- ☒ FOLLOW UP INSPECTION REQUIRED
- ☐ NO FOLLOW UP INSPECTION REQUIRED

Findings:9 Number of Comments5 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
		tyson.johnston@oxbow.com	
		heather.lang@oxbow.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
324464	LOCATION	AC			-	FEDERAL-610S90W 30SWSE	RI

General Comment:

On 7/21/2021, Reclamation Specialist Trujillo conducted an interim reclamation and storm water inspection at Gunnison Energy's Federal 30-4 location in Gunnison County, Colorado.

This inspection is a followup to #696202645, #696202706 and #696202822 to document compliance with the following corrective actions
 606: Good Housekeeping (5/22/2021)
 608.e: Mechanical Conditions (5/22/2021)
 912: Spills and Releases (5/22/2021)
 1003.b: Reclamation of areas no longer needed for production (6/7/2021)
 1003.f: Noxious weed management (6/24/2021)

It was observed in this inspection that the Location remains out of compliance with COGCC Rules and corrective actions.

Refer to the "Location" and "Reclamation" 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; due to the nature, extent, or duration of the alleged rule violations, Location is being considered for enforcement.

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

LocationOverall Good: ☐

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Good Housekeeping:

Type	WEEDS		
Comment:	<p>Previous inspection observed noxious weeds (Canada thistle, Bindweed, Musck thistle, Hoary cress) on the Location, and required Operator to comply with Rule 1003.f. Previous inspections also observed signs indicating herbicide application was performed, however it was unclear if management has been sufficient to control weeds.</p> <p>It was observed in this inspection that weed monitoring/management has been inadequate; bindweed has continued to establish throughout the west end of the Location, including the tank battery. See photos 15, 16.</p>		
Corrective Action:	Comply with Rule 606 and Rule 1003.f	Date:	07/30/2021
Type	STORAGE OF SUPL		
Comment:	<p>Inspection #696202645, 696202706 and #696202822 observed various trash, debris and unused equipment stored throughout the Location.</p> <p>It was observed in this inspection that the various trash, debris and unused equipment remain on the Location; original corrective action and date remains applicable.</p> <p>In addition, equipment/debris was also observed being stored off-site, west of the Location. See photos 3, 4, 8-12.</p>		
Corrective Action:	Comply with Rule 606	Date:	05/22/2021

Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

Comment:

Previous inspections observed leaking equipment on the west end of the Location, resulting in a spill/stained soils. Inspection required Operator to Control and contain spills/releases and clean up.

It was observed in this inspection that equipment leak appears to have been controlled, and impacted soils appear to have been addressed.

☐ Multiple Spills and Releases?**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
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Earth	Inadequate	Walls Insufficient	Base Insufficient	Inadequate	
Comment:	<p>Previous inspection observed that the integrity of the containment BMP at the tanks was inadequate. Inspection required Operator to comply with Rule 603.o.</p> <p>It was observed in this inspection that the secondary containment BMPs remain inadequate to contain 150% of the volume of the tank.</p>				
Corrective Action:	<p>Repair or install berms or other secondary containment devices per Rule 603.o. Ensure secondary containment is adequate to contain 150% of the volume of the tank(s).</p>				Date: 06/24/2021

Venting:

Yes/No			
Comment:			
Corrective Action:		Date:	

Flaring:

Type		
Comment:		
Corrective Action:		Date:

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 _____

Operator storing equipment/debris off-site, to the west of the Location. See "good housekeeping" and photos 3-4.

Corrective Action _____

Date _____

1003a. Waste and Debris removed? _____

Comment _____

Corrective Action _____

Date _____

Unused or unneeded equipment onsite? _____ Fail _____

Comment _____

See "good housekeeping".

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? Fail 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? F

Comment See "COGCC Comments".

Corrective Action Comply with 1003 Rules and conduct reclamation on areas of the Location not needed for production.

Date 06/07/2021

Overall Interim Reclamation Fail

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 ☐

Multi-Well Location ☐

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	
<p>Comment: A barrel (antifreeze/coolant) and a bucket (containing unknown fluids) observed stored on the Location without required secondary containment. It was also observed that no safety labeling has been applied identifying contents within bucket. See photos 5-7.</p> <p>Corrective Action: Comply with Rule 1002.f.(2)A and implement secondary containment. Comply with 605 Rules and apply labeling information identifying contents.</p>						Date: 07/29/2021
Pits: <input type="checkbox"/> NO SURFACE INDICATION OF PIT						

COGCC Comments

Comment	User	Date
<p>INTERIM RECLAMATION COMMENTS</p> <p>Previous inspections observed areas on the northwest, and southern end of the Location require reclamation in accordance with Rule 1003.b by 6/7/2021.</p> <p>Inspection #696202645 also observed that a sediment trap/pond was planned for construction on the southern areas of the Location as part of the construction of the Trail Gulch Unit 1090 /30.</p> <p>COGCC notified Operator within previous inspections, and within a phone meeting with the Principal Agent, that the corrective action to conduct interim reclamation will remain applicable for the identified areas, and for unused areas on the south end of the Location not part of the sediment trap, unless BMP is not constructed, at which point all unused, disturbed areas will remain subject to Rule 1003.b.</p> <p>It was observed in this inspection that interim reclamation of areas not needed for production has not been performed in accordance with 1003 rules; equipment stored on the northwestern areas; areas have not been decompacted/recontoured/regraded and revegetation activities not performed.</p> <p>It was also observed that the Sediment trap/pond BMP has been constructed on the west end of the Location.</p> <p>This corrective action has not been addressed and remains applicable.</p>	trujilloam	07/26/2021

Attached Documents

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

Document Num	Description	URL
402759182	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5488366
696202955	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5488362