

**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:

08/03/2021

Submitted Date:

08/11/2021

Document Number:

696203025

FIELD INSPECTION FORMLoc ID 324464 Inspector Name: Trujillo, Aaron On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**

OGCC Operator Number: 10515

Name of Operator: GUNNISON ENERGY LLC

Address: 1801 BROADWAY #1150

City: DENVER State: CO Zip: 80202

Status Summary:

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

Findings:

12 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
		heather.lang@oxbow.com	
		tyson.johnston@oxbow.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
211700	WELL	PR	02/01/2020	GW	051-06022	FEDERAL 30-4	RI
324464	LOCATION	AC			-	FEDERAL-610S90W 30SWSE	RI

General Comment:

On 8/3/2021, 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, #696202822 and #696202954 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)
 1002.f: Material handling and Spill Prevention (7/29/2021)

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

The following additional compliance issues were observed in this inspection:
 1002.f: Stormwater

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.

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 on the Location and required Operator to comply with Rule 6060 and Rule 1003.f.</p> <p>It was observed in this inspection that additional weed management appears to have been performed.</p> <p>Continue to monitor and manage Noxious and Undesirable weedy plant species in accordance with Rules 606 and 1003.f</p>		
Corrective Action:		Date:	
Type	OTHER		
Comment:	<p>Operator was observed removing/transporting sediment material from the base of the cutslopes of the Trail Gulch Unit 1090 /30 Location, and improperly placing and storing the sediment material on the Location.</p> <p>No control measures to mitigate sediment transport from the stockpiled soils on the Location. See "Stormwater".</p>		
Corrective Action:	Comply with Rule 606 and remove sediment material improperly stored on the Location.	Date:	08/18/2021
Type	STORAGE OF SUPL		
Comment:	<p>Inspection #696202645, #696202706, #696202822 and #696202954 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 not needed for production 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; this does not comport with Rule 1002.e. See photo 3</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:

☐ Multiple Spills and Releases?**Tanks and Berms:**

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

Paint

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

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Inadequate	Walls Insufficient	Base Insufficient	Inadequate
Comment:	<p>Previous inspections 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. See photo 6-7.</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>			<p>Date: <u>06/24/2021</u></p>

Venting:

Yes/No		
Comment:		
Corrective Action:		Date:

Flaring:

Type	
Comment:	
Corrective Action:	Date:

Inspected Facilities									
Facility ID:	<u>211700</u>	Type:	<u>WELL</u>	API Number:	<u>051-06022</u>	Status:	<u>PR</u>	Insp. Status:	<u>RI</u>
Facility ID:	<u>324464</u>	Type:	<u>LOCATION</u>	API Number:	<u>-</u>	Status:	<u>AC</u>	Insp. Status:	<u>RI</u>

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 _____

Various equipment from the Location observed stored off site to the west of the Location. This does not comport with surface disturbance minimization requirements.

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? Fail Production areas stabilized ? Fail
 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? Fail
 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? I

Comment

Previous inspections observed areas on the northwest end of the Location require reclamation in accordance with Rule 1003.b by 6/7/2021.

It was observed in this inspection that interim reclamation of areas not needed for production has not been performed in accordance with 1003 rules; areas have not been decompacted/recontoured/regraded and revegetation activities not performed.

This corrective action has not been addressed and remains applicable.

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		Bucket/Barrel
	Fail					Stored sediment
			Fail			Access road

Comment: Precious inspections observed that a barrel and a bucket w/ unknown fluids were improperly stored without required secondary containment; secondary containment remains missing or inadequate.

Operator was observed removing/transporting sediment material from the base of the cutslopes of the Trail Gulch Unit 1090 /30 Location, and improperly placing and storing the sediment material on the Location; sediment material is considered a pollutant source; BMPs to prevent sediment transport from the stockpiled materials observed to be missing.

Off-site sediment transport observed along the access road west of the Location; BMPs missing or insufficient along access road See photo 10.

Original CA has not been addressed and remains applicable.

Corrective Action: Comply with Rule 1002.f and install required stormwater and erosion control BMPs per good engineering practices.

Date: 07/29/2021

Pits: ☐ NO SURFACE INDICATION OF PIT**COGCC Comments**

Comment	User	Date
Due to the nature, extent, or duration of the alleged rule violations, Location is being considered for enforcement.	trujilloam	08/11/2021

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

Document Num	Description	URL
402776729	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5503433
696203026	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5503409