

FORM INSP
Rev 05/11

**State of Colorado
Oil and Gas Conservation Commission**

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109



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Inspection Date:
05/16/2013

Document Number:
670400023

Overall Inspection:
Satisfactory

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	<input type="checkbox"/>
	<u>283918</u>	<u>324484</u>	<u>COLBY, CARL</u>	2A Doc Num:	

Operator Information:

OGCC Operator Number: 100122 Name of Operator: GUNNISON ENERGY CORPORATION
 Address: 1801 BROADWAY #1200
 City: DENVER State: CO Zip: 80202

Contact Information:

Contact Name	Phone	Email	Comment
Starkebaum, Neal	(970)641-0360	NStarkebaum@gunnisoncounty.org	Assistant Director Gunnison County Community
Kellerby, Shaun		shaun.kellerby@state.co.us	
Fyock, Lee		lee.fyock@oxbow.com	VP Permitting and Environmental
McWilliams, Dan		dan.mcwilliams@oxbow.com	Construction Engineer
Shelbourn, Steve	(970)596-4302	steveshelbourn@oxbow.com	EHS Coordinator
Swisher, Kevin		kevin.swisher@oxbow.com	Operations Superintendent

Compliance Summary:

QtrQtr: SWSE Sec: 1 Twp: 12S Range: 90W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Unsatisfactory	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
07/08/2010	200262203	SR	PR	S			N
08/17/2009	200216824	PR	PR	S			N

Inspector Comment:

No well head sign, Tanks need capacity and Emergency contact labels, Location needs Gravel and or improved BMP's

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	
283918	WELL	PR	02/19/2013	GW	051-06074	HOTCHKISS 12-90 1-34	<input checked="" type="checkbox"/>

Equipment:

Location Inventory

Special Purpose Pits: _____	Drilling Pits: _____	Wells: _____	Production Pits: _____
Condensate Tanks: _____	Water Tanks: _____	Separators: _____	Electric Motors: _____
Gas or Diesel Mortors: _____	Cavity Pumps: _____	LACT Unit: _____	Pump Jacks: _____
Electric Generators: _____	Gas Pipeline: _____	Oil Pipeline: _____	Water Pipeline: _____
Gas Compressors: _____	VOC Combustor: _____	Oil Tanks: _____	Dehydrator Units: _____
Multi-Well Pits: _____	Pigging Station: _____	Flare: _____	Fuel Tanks: _____

Location

Lease Road:				
Type	Satisfactory/Unsatisfactory	comment	Corrective Action	Date
Access	Satisfactory	BMP's in place and working		

Signs/Marker:				
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
WELLHEAD	Unsatisfactory	No Well head sign	Install sign to comply with rule 210.d.	07/22/2013
TANK LABELS/PLACARDS	Unsatisfactory	6 400bbl Tanks Labels need capacity and Emergency Contact Number. 300 bbl tank has no Labeling	Install sign to comply with rule 210.d.	07/22/2013

Emergency Contact Number: (S/U/V) Satisfactory Corrective Date: _____

Comment: _____

Corrective Action: _____

Spills:				
Type	Area	Volume	Corrective action	CA Date
<input type="checkbox"/> Multiple Spills and Releases?				

Fencing/:				
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
LOCATION	Satisfactory	Wire Fence around location		
WELLHEAD	Satisfactory	Metal Panel Fence		

Equipment:					
Type	#	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
Progressive Cavity	1	Satisfactory			
Bird Protectors	6	Satisfactory			
Vertical Separator	1	Satisfactory			
Deadman # & Marked	4	Satisfactory			
	1	Satisfactory	Generator and transfer pump in building inside tank berm		

Facilities:		<input type="checkbox"/> New Tank	Tank ID: _____	
Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	1	300 BBLS	STEEL AST	39.038220,107.392650
S/U/V:	Satisfactory		Comment:	
Corrective Action:				Corrective Date:
<u>Paint</u>				
Condition	Adequate			
Other (Content)	_____			
Other (Capacity)	_____			
Other (Type)	_____			
<u>Berms</u>				
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal	Adequate	Walls Sufficient	Base Sufficient	Adequate
Corrective Action				Corrective Date
Comment				

Facilities:		<input type="checkbox"/> New Tank	Tank ID: _____	
Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	6	400 BBLS	HEATED STEEL AST	39.038220,107.392060
S/U/V:	Satisfactory		Comment:	
Corrective Action:				Corrective Date:
<u>Paint</u>				
Condition	Adequate			
Other (Content)	_____			
Other (Capacity)	_____			
Other (Type)	_____			
<u>Berms</u>				
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal	Adequate	Walls Sufficient	Base Sufficient	Adequate
Corrective Action				Corrective Date
Comment				

Venting:	
Yes/No	Comment
NO	

Flaring:				
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date

Predrill

Location ID: 324484

Site Preparation:

Lease Road Adeq.: _____ Pads: _____ Soil Stockpile: _____
Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:

Comment: _____

CA: _____ **Date:** _____

Wildlife BMPs:

Comment: _____

CA: _____ **Date:** _____

Stormwater:

Erosion BMPs	Present	Other BMPs	Present

Corrective Action: _____ Date: _____

Comments: Erosion BMPs: _____
Other BMPs: _____

Comment: _____

Staking:

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:

Facility

Facility ID: 283918 Type: WELL API Number: 051-06074 Status: PR Insp. Status: SI

Producing Well

Comment: _____

Idle Well

Purpose: Shut In Temporarily Abandoned Reminder: _____
 S/V: _____ CA Date: _____
 CA: _____
 Comment: _____

Environmental

Spills/Releases:

Type of Spill: _____ Description: _____ Estimated Spill Volume: _____
 Comment: _____
 Corrective Action: _____ Date: _____
 Reportable: _____ GPS: Lat _____ Long _____
 Proximity to Surface Water: _____ Depth to Ground Water: _____

Water Well:

DWR Receipt Num: _____ Owner Name: _____ GPS : _____ Lat _____ Long _____

Field Parameters:

Sample Location: _____

Complaint:

Tracking Num	Category	Assigned To	Description	Incident Date
200344244	SPILLS	SPRY OROURKE, LINDA	Staff of SG Interests (SGI) contacted COGCC on 2/21/2012 and reported that they had discovered a release of produced water at the subject well pad on 2/9/2012. Complainant reported staff of SGI were breaking trail with snowmobiles in preparation of a site walk when the release was noticed. SGI is permitting a well on adjoining land and the site walk was to occur the following day. SGI staff reported that produced water and gas were leaking from the wellhead and that the noise from the gas leak could be heard over snowmobile engines. Complainant reported that entire area was snow-covered; roads had not been plowed, there were no tracks on the subject well pad. SGI staff reported that they estimated produced water ponding near the wellhead to be about 1 foot deep, and that the area impacted by the produced water could be seen because the melted snow. They reported ambient temperature was in the 20 degree Fahrenheit range, so do not believe snow was melting due to temperatures. SGI staff estimated > 20 barrels of produced water were released and reported they could see undercutting and caving of the snow covering the ephemeral drainage to the south of the well pad. SGI Staff contacted Gunnison Energy (GEC) the same day to report the problem at the well. SGI staff reported that the following day, 2/10/2012, when they conducted their site walk, they noticed that the Hotchkiss Federal 12-90 wellpad had been cleared of snow by a snowplow blade. SGI staff wanted to get a copy of the spill report submitted by GEC to the COGCC and to be copied on the spill investigation results. COGCC had not received a spill report for the Hotchkiss Federal 12-90 at the time of this call.	02/21/2012

Emission Control Burner (ECB): _____

Comment: _____

Pilot: _____ Wildlife Protection Devices (fired vessels): _____

Reclamation - Storm Water - Pit

Interim Reclamation:

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

Land Use: _____

Comment: _____

1003a. Debris removed? Pass CM _____

CA _____ CA Date _____

Waste Material Onsite? Pass CM _____

CA _____ CA Date _____

Unused or unneeded equipment onsite? Pass CM _____

CA _____ CA Date _____

Pit, cellars, rat holes and other bores closed? Pass CM _____

CA _____ CA Date _____

Guy line anchors removed? In CM _____

CA _____ CA Date _____

Guy line anchors marked? Pass CM _____

CA _____ CA Date _____

1003b. Area no longer in use? Fail Production areas stabilized? _____

1003c. Compacted areas have been cross ripped? Fail

1003d. Drilling pit closed? Pass 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? Fail Segregated soils have been replaced? Fail

RESTORATION AND REVEGETATION

Cropland

Top soil replaced _____ Recontoured _____ Perennial forage re-established _____

Non-Cropland

Top soil replaced Fail Recontoured Pass 80% Revegetation Fail

1003 f. Weeds Noxious weeds? _____

Comment: _____

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 _____

Inspector Name: COLBY, CARL

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 _____
Comment: _____
Corrective Action: _____ Date _____
Overall Final Reclamation _____ Multi-Well Location

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Ditches	Pass	Gravel	Pass			
Berms	Pass	Ditches	Pass			
Gravel	Fail	Culverts	Pass			Location is Rutted, Stabilization Needed
		Check Dams	Pass			

S/U/V: Satisfactory Corrective Date: _____

Comment: Stabilization of areas on location pad needs to be addressed soon, It is Rutted in some areas and lacking BMP's

CA: _____