

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:
10/01/2013

Document Number:
670200917

Overall Inspection:
Unsatisfactory

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>276916</u>	<u>322002</u>	<u>BURGER, CRAIG</u>	<input type="checkbox"/>	

Operator Information:

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

- THIS IS A FOLLOW UP INSPECTION
- FOLLOW UP INSPECTION REQUIRED
- NO FOLLOW UP INSPECTION REQUIRED
- INSPECTOR REQUESTS FORM 42 WHEN CORRECTIVE ACTIONS ARE COMPLETED

Contact Information:

Contact Name	Phone	Email	Comment
LUJAN, CARLOS		carlos.lujan@state.co.us	
Shellbourn, Steve		steveshellbourn@oxbow.com	
Kellerby, Shaun		Shaun.Kellerby@state.co.us	NW Field Supervisor

Compliance Summary:

QtrQtr: SESW Sec: 12 Twp: 12S Range: 91W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Unsatisfactory	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
08/09/2011	200321717	ID	SI	S			Y
08/17/2009	200216831	PR	SI	S			N

Inspector Comment:

Unsatisfactory due to produced water being dripped out of lubricator seal on wellhead pump. Roustabout on location stated he would locate a container to drip the water into.

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	
276916	WELL	SI	09/05/2007	GW	029-06091	ALLEN 12-91 12-24	<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

Signs/Marker:				
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
WELLHEAD	Satisfactory			

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

Comment: _____

Corrective Action: _____

Spills:				
Type	Area	Volume	Corrective action	CA Date
Produced Water	WELLHEAD		Downhole pump is lubricated by produced water and PW is being allowed to drip onto ground. Contain water produced and report if volume spilled exceeds reporting threshold.	10/15/2013

Multiple Spills and Releases?

Fencing/:				
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
WELLHEAD	Satisfactory	cattle panel		
SEPARATOR	Satisfactory	wire fence		

Equipment:					
Type	#	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
Bird Protectors	3	Satisfactory			
Deadman # & Marked	5	Satisfactory			
Ancillary equipment	1	Satisfactory	Nat gas powered generator for downhole pump.		
Gas Meter Run	1	Satisfactory			
Gathering Line	1	Satisfactory			
Submersible Pump	1	Unsatisfactory	Produced water dripping from lubricator seal.	Contain produced water and manage as E&P waste.	10/15/2013
Horizontal Heated Separator	1	Satisfactory			

Facilities:		<input type="checkbox"/> New Tank	Tank ID: _____		
Contents	#	Capacity	Type	SE GPS	
PRODUCED WATER	2	400 BBLS	HEATED STEEL AST	39.023430,-107.506500	
S/U/V:	Satisfactory	Comment:			
Corrective Action:				Corrective Date:	
Paint					
Condition	Adequate				
Other (Content)	_____				
Other (Capacity)	_____				
Other (Type)	_____				
Berms					
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: 322002

Site Preparation:

Lease Road Adeq.: _____ Pads: _____ Soil Stockpile: _____

S/U/V: _____

Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:

S/U/V: _____ Comment: _____

CA: _____ Date: _____

Wildlife BMPs:

S/U/V: _____ Comment: _____

CA: _____ Date: _____

Stormwater:

Erosion BMPs	Present	Other BMPs	Present

S/U/V: _____

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: 276916 Type: WELL API Number: 029-06091 Status: SI Insp. Status: PR

Producing Well

Comment: Well brought back on production. MIT performed 9/21/2011. Downhole electric corkscrew pump on well.

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:

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

Field Parameters:

Sample Location: _____

Emission Control Burner (ECB): N
Comment: _____
Pilot: _____ Wildlife Protection Devices (fired vessels): YES

Reclamation - Storm Water - Pit

Interim Reclamation:

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____
Land Use: _____
Comment: _____
1003a. Debris removed? In 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? _____ CM _____
CA _____ CA Date _____
Guy line anchors marked? Pass CM _____
CA _____ CA Date _____
1003b. Area no longer in use? Pass Production areas stabilized ? Pass
1003c. Compacted areas have been cross ripped? Pass
1003d. Drilling pit closed? Pass Subsidence over on drill pit? Pass
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 _____

1003 f. Weeds Noxious weeds? _____ P _____

Comment: _____

Overall Interim Reclamation

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 _____

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
Retention Ponds	Pass					
Berms	Pass	Culverts	Pass			
Rip Rap	Pass					
Ditches	Pass	Waddles	Pass			
Blankets	Fail					
Culverts	Pass	Ditches	Pass			
Compaction	Fail	Gravel	Pass			

S/U/V: Unsatisfactory Corrective Date: 11/08/2013

Comment: Location rutted and muddy. Erosion rills present on cut slope where blankets failed.

CA: Provide and maintain adequate stormwater and erosion control BMP's.

Pits: NO SURFACE INDICATION OF PIT