

**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:

05/21/2021

Submitted Date:

05/24/2021

Document Number:

696202706

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:

8 Number of Comments

7 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	

General Comment:

On 5/21/2021, Reclamation Specialist Trujillo conducted an interim reclamation and stormwater inspection at Gunnison Energy's Federal 30-4 location in Gunnison County, Colorado.

This inspection is a followup to #696202645 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: Reclamation of areas no longer needed for production (6/7/2021)

It was observed in this inspection that work to address mechanical conditions and the spill/release was in process. Corrective actions regarding good housekeeping and reclamation remain applicable.

New corrective actions observed in this inspection:

603.o.: Secondary containment at tank

912: Spills and Releases

Refer to the "Location" and "Reclamation" section 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	STORAGE OF SUPL		
Comment:	<p>Inspection #696202645 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 remains on the Location; original corrective action and date remains applicable.</p>		
Corrective Action:	Comply with Rule 606	Date:	05/22/2021
Type	WEEDS		
Comment:	<p>1003.f Noxious weed management is being addressed in the "Good Housekeeping" of this report to allow Operator to address corrective action separately within a resolution form.</p> <p>Canada thistle rosettes observed within the sediment trap on the south end of the Location. Musk thistle remnants from the 2020 growing season also observed on the southwestern areas of the Location.</p> <p>Operator onsite stated noxious weed management was planned in the near future.</p>		
Corrective Action:	Comply with Rule 1003.f.	Date:	06/24/2021

Overall Good: ☐

Spills:				
Type	Area	Volume		
Other				
Comment:	<p>Stained soils observed in front of temporary diesel tank stored on the northern end of the Location.</p>			
Corrective Action:	Control and contain spills/releases and clean up per Rule 912.a.			Date: 05/28/2021
Comment:	<p>Inspection #696202645 observed that equipment on the west end of the Location was leaking; spill/stained soils observed in the immediate area of the equipment. Inspection required Operator to comply with Rule 912.a by 5/22/2021.</p> <p>It was observed in this inspection that work to address the mechanical issues and to clean the spill/stained soils was in process.</p> <p>Continue work to resolve spill/stained soils. Corrective action from #696202645 not yet resolved in entirety and remains applicable until addressed. A followup inspection will be conducted to document completion of clean-up.</p>			
Corrective Action:	Control and contain spills/releases and clean up per Rule 912.a.			Date: 05/22/2021

In Containment: No

Comment: ☐ Multiple Spills and Releases?

Equipment:			corrective date
Type:	#		

Comment:	<p>Inspection #696202645 observed that equipment on the west end of the Location was leaking; spill/stained soils observed in the immediate area of the equipment. Inspection required Operator to comply with Rule 608.e by 5/22/2021.</p> <p>It was observed in this inspection that work to adress the mechanical issues and to clean the spill/stained soils was in process.</p> <p>Continue work to ensure good mechanical condition. Corrective action from #696202645 not yet resolved in entirety and remains applicable until addressed. A followup inspection will be conducted to document completion.</p>	
Corrective Action:	Securely fasten all valves, pipes, fittings, and Production Facilities to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 608.e.	Date: 05/22/2021

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	1	300 BBLs	STEEL AST		,
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:	It was observed in this inspection that the integrity of the containment BMP was compromised during the construction of a silt fence on the north side of the tank.			
Corrective Action:	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.			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 _____

Comment _____

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 ? _____
- 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

Inspection #696202645 observed areas on the northwest, and southern end of the Location require reclamation in accordance with Rule 1003.b by 6/7/2021.

It was observed in this inspection that there are areas on the south end of the Location identified in #696202645, that are currently staked for the construction of a sediment trap/pond, as part of the construction of the Trail Gulch Unit 1090 /30

This corrective action remains applicable for the areas on the northwest end of the Location.

Corrective action will remain applicable 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.

Corrective Action

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

Date 06/07/2021Overall 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

Inspector Name: Trujillo, Aaron

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 ☐

Attached Documents

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

Document Num	Description	URL
402698880	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5439240
696202707	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5439239