

**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:

04/04/2022

Submitted Date:

04/05/2022

Document Number:

696203543

**FIELD INSPECTION FORM**Loc ID 453805 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:**

17 Number of Comments

10 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
,		dnr_cogccenforcement@state.co.us	
		geops@oxbow.com	
		heather.lang@oxbow.com	
		tyson.johnston@oxbow.com	
Arthur, Denise		denise.arthur@state.co.us	

**Inspected Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
453805	LOCATION	AC			-	Trail Gulch Unit 1090 30	RI
453806	WELL	XX	01/27/2018		051-06155	Trail Gulch Unit 1090 30-H1	ND
469135	WELL	XX	11/12/2019		051-06156	Trail Gulch Unit 1090 30-H4	ND
469136	WELL	XX	11/12/2019		051-06157	Trail Gulch Unit 1090 30-H6	ND
469137	WELL	PR	10/01/2021	OW	051-06158	Trail Gulch Unit 1090 30-H2	RI
469138	WELL	XX	11/12/2019		051-06159	Trail Gulch Unit 1090 30-H5	ND
469139	WELL	XX	11/12/2019		051-06160	Trail Gulch Unit 1090 30-H3	ND

**General Comment:**

On 4/4/2022, Reclamation Specialist Trujillo inspected Gunnison Energy LLC's Trail Gulch Unit 1090 30 location in Gunnison County, Colorado.

This inspection is a followup to:

#696202704 dated 5/21/2021;

#696202820 dated 6/15/2021;

#696202952 dated 7/21/2021;

and #696203017 dated 8/3/2021;

and 696203160 dated 9/24/2021 to document compliance with the following corrective actions:

- Safety Labeling
- Spills and releases
- Stormwater
- Materials handling and spill prevention
- Protection of soils, noxious weeds

This inspection is also in response to Resolution #402846687 stating corrective actions from inspection #696203160 have been completed.

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

The following NEW compliance issues were observed during this inspection:

- Labeling requirements
- Unused equipment
- Interim reclamation

Refer to the "Location Construction", "Location", "Reclamation" and "Stormwater" 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

**Location**Overall Good: ☐**Signs/Marker:**

Type	CONTAINERS		
Comment:	<p>Previous inspection observed that labeling information, including safety information, were missing or inadequate on several barrels, and containers throughout the Location. Inspection required Operator to install labeling information identifying contents by 7/28/2021.</p> <p>Operator submitted FIRR #402846687 stating unlabeled containers/barrels were removed 9/24/2021.</p> <p>It was observed in this inspection that unlabeled containers previously documented have been removed from the Location.</p> <p>CA is no longer applicable however it is noted that Operator failed to comply with Rules and corrective actions.</p>		
Corrective Action:		Date:	
Type	TANK LABELS/PLACARDS		
Comment:	Tank next to well observed to be missing required labelling (contents, capacity, operator). See photos 17		
Corrective Action:	Install sign to comply with Rule 605.h.	Date:	05/05/2022
Type	TANK LABELS/PLACARDS		
Comment:	The two southern tanks within the battery missing content labelling, or labelling unclear; "crude oil" labeling on tanks appears to have been scraped off. See photo 16		
Corrective Action:	Install sign to comply with Rule 605.h.	Date:	05/05/2022

**Emergency Contact Number:**Comment: Corrective Action: Date: **Good Housekeeping:**

Type	STORAGE OF SUPL		
Comment:	Various unused equipment or trash debris (crate/box, pipe, tubing, etc...) observed on Location. See photos 18, 19, 20		
Corrective Action:	Comply with Rule 606	Date:	04/12/2022

Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

Comment: ☐ Multiple Spills and Releases?**Venting:**

Yes/No			
Comment:			
Corrective Action:		Date:	

**Flaring:**

Type		
Comment:		

Corrective Action:	Date:
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### Location Construction

Location ID: 453805 CDP: \_\_\_\_\_

Comment: \_\_\_\_\_

Corrective Action: \_\_\_\_\_

Date: \_\_\_\_\_

**Form 2A COAs:****Comment:** \_\_\_\_\_

Corrective Action: \_\_\_\_\_

Date: \_\_\_\_\_

**Wildlife BMPs:****Comment:** \_\_\_\_\_

Corrective Action: \_\_\_\_\_

Date: \_\_\_\_\_

**Stormwater:**

Erosion BMPs	Present	Other BMPs	Present
	No		

Comments: Erosion BMPs: Previous inspection observed that BMPs to protect/stabilize slopes, and to manage runoff on the southeast end of the Location were missing, or insufficient. Operator was required to comply with Rule 1002.f by 6/18/2021.

Operator submitted FIRR #402846687 stating corrective action was completed 10/12/2021.

Other BMPs: It was observed in this inspection that BMPs to minimize erosion, and to protect/stabilize the slopes on the east end of the Location remain missing or insufficient. Silt fence at toe of the slopes to manage runoff remains in disrepair; wattle BMP installed to the south of the string of silt fence; sediment from discharge can be seen on top of wattles. See photo 8.

Corrective Action: Comply with Rule 1002.f and install BMPs to protect and stabilize the cut and fill slopes of the Location. Date: 06/18/2021

SILT FENCES		
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Comments: Erosion BMPs: Previous inspections observed that BMPs were missing or insufficient along the western perimeter of the Location; silt fence in disrepair on western perimeter. Operator was required to comply with Rule 1002.f by 6/20/2021

Operator submitted FIRR #402846687 stating corrective action was completed 10/12/2021.

It was observed in this inspection that BMPs along the perimeter remain missing or insufficient; silt fence remains in disrepair and not in proper functioning condition.

Other BMPs: Original corrective action has not been addressed and remains applicable. See photo 5 and 7

Corrective Action: Comply with Rule 1002.f and install or repair required BMPs in accordance with good engineering practices Date: 06/20/2021

## RETENTION PONDS

Comments: Erosion BMPs:

Previous inspections observed that the inlets at the sediment trap on the west end of the Location was inadequate; erosion degradation observed; geotextile lining does not appear to have been implemented at inlets/outlets per good engineering practices. Inspection required Operator to comply with Rule 1002.f.

Operator submitted FIRR #402846687 stating corrective action was completed 10/12/2021.

Other BMPs:

It was observed in this inspection that additional work has been performed to address inlets at the sediment trap; additional armoring implemented. Unclear at time of inspection if BMP has been installed per good engineering practices, however, control appears to be in working order. See photos 14.

CA appears to have been addressed. Continue to monitor and maintain BMP to ensure control remains in proper functioning condition.

Corrective Action:

Date:

Material Handling And Spill Prevention

Comments: Erosion BMPs:

Previous inspections observed an un-secured porta-johnson the Location. BMPs to prevent or contain a spill at the porta-joun was missing or insufficient. Inspections required Operator to comply with 1002.f by 7/28/2021.

Operator submitted FIRR #402846687 stating porta-john was removed 9/24/2021 (note: inspection on 9/24/2021 observed porta-john on location).

Other BMPs:

It was observed in this inspection that the porta-johns on Location have been removed and CA is not longer applicable. However, it is noted that Operator failed to comply with Rules and corrective actions.

Corrective Action:

Date:

## DITCHES

Yes

Comments: Erosion BMPs:

Previous inspections observed that the stormwater runoff ditch on the west end of the Location was not constructed in accordance with good engineering practices. Inspections required Operator to comply with Rule 1002.f

Operator submitted FIRR #402846687 stating corrective action was completed 10/12/2021.

Other BMPs:

It was observed in this inspection that the ditches, inlets have been re-constructed with an appropriate grade, and with additional armoring. See photos 12-13.

BMP appears to be in proper functioning condition, and CA addressed.

Corrective Action:

Date:

	No		
Comments:	Erosion BMPs:	<p>Previous inspections observed that control measures to minimize erosion/degradation, and to protect/stabilize the cut and fill slopes of the Location are missing or insufficient.</p> <p>Operator submitted FIRR #402846687 stating corrective action was completed 10/12/2021.</p> <p>It was observed in this inspection that BMPs remain missing or insufficient; erosion degradation has persisted on the cut and fill slopes of the Location.</p>	
	Other BMPs:	<p>Operator resolution states "All cut and fill slopes are being tracked and seed casted for growth stabilization in accordance with the Landowner's (USFS) request memorialized in the last approved BMP location sundry". Unable to find evidence of tracking per good engineering practices.</p> <p>Original corrective action has not been addressed and remains applicable. See photos 3-8</p>	
Corrective Action:		Comply with Rule 1002.f and install BMPs to protect and stabilize the cut and fill slopes of the Location.	Date: 06/18/2021 1
		Material Handling And Spill Prevention	
Comments:	Erosion BMPs:	<p>Methanol barrel stored on the west end of the Location observed missing BMPs to prevent or contain a spill. See photo 19</p>	
	Other BMPs:	<p>Previous inspections on the Location observed barrels/tanks/containers stored on the location with inadequate spill prevention/containment measures; Operator has failed to maintain spill prevention best management practices on the Location.</p>	
Corrective Action:		Implement and maintain spill prevention/containment BMPs	Date: 04/12/2021 2
		Material Handling And Spill Prevention	
Comments:	Erosion BMPs:	<p>Previous inspections observed spills and impacted stormwater on the Location as a result of improper material handling and spill prevention procedures. Inspection required Operator to comply with Rule 1002.f and remove fluids/spills, and clean up by 7/22/2021.</p> <p>Operator submitted FIRR #402846687 stating corrective action was completed 9/24/2021 (note: inspection on 9/24/2021 observed spills/drips on Location. F19 #481083 documents additional spills/releases on the Location on 11/10/2021).</p>	
	Other BMPs:	<p>Limited visibility due to snow cover prevented Reclamation Specialist from conducting an accurate assessment to determine if spill corrective actions have been completed on the Location. A followup inspection will need to be conducted to determine compliance.</p>	
Corrective Action:			Date:

No

Comments: Erosion BMPs:

Previous inspection observed that that stormwater and erosion control BMPs are missing or insufficient at the topsoil stockpile. Inspections required Operator to comply with Rule 1002.f and 1002.c by 5/21/2021

Operator submitted FIRR #402846687 stating corrective action was completed 10/12/2021.

Other BMPs:

It was observed in this inspection that BMPs to stabilize soils at stockpile are missing or insufficient; vegetative stabilization at soil stockpile not present at time of inspection; soils remain loose and at risk to wind and water erosion.

BMPs to manage runoff and minimize sediment transport remain missing or insufficient along southern perimeter of the topsoil stockpile; CA has not been addressed and remains applicable.

See photos 9-11.

Corrective Action: Comply with Rule 1002.f and Rule 1002.c.

Date: 05/21/202

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Comment:Corrective  
Action:Date:**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:**

Inspected Facilities									
Facility ID:	<u>453805</u>	Type:	<u>LOCATION</u>	API Number:	<u>-</u>	Status:	<u>AC</u>	Insp. Status:	<u>RI</u>
Facility ID:	<u>453806</u>	Type:	<u>WELL</u>	API Number:	<u>051-06155</u>	Status:	<u>XX</u>	Insp. Status:	<u>ND</u>
Facility ID:	<u>469135</u>	Type:	<u>WELL</u>	API Number:	<u>051-06156</u>	Status:	<u>XX</u>	Insp. Status:	<u>ND</u>
Facility ID:	<u>469136</u>	Type:	<u>WELL</u>	API Number:	<u>051-06157</u>	Status:	<u>XX</u>	Insp. Status:	<u>ND</u>
Facility ID:	<u>469137</u>	Type:	<u>WELL</u>	API Number:	<u>051-06158</u>	Status:	<u>PR</u>	Insp. Status:	<u>RI</u>
Facility ID:	<u>469138</u>	Type:	<u>WELL</u>	API Number:	<u>051-06159</u>	Status:	<u>XX</u>	Insp. Status:	<u>ND</u>
Facility ID:	<u>469139</u>	Type:	<u>WELL</u>	API Number:	<u>051-06160</u>	Status:	<u>XX</u>	Insp. Status:	<u>ND</u>



**Reclamation - Storm Water - Pit****Interim Reclamation:**

Date Interim Reclamation Started: \_\_\_\_\_ Date Interim Reclamation Completed: \_\_\_\_\_

Land Use: RANGELAND

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 \_\_\_\_\_ In Process \_\_\_\_\_

Comment

Previous inspection observed noxious weed establishment on the topsoil stockpile and sediment pond. Operator submitted FIRR #402846687 stating corrective action was completed 10/12/2021.

Noxious weeds or weed debris previously identified not observed. Due to winter dormancy, a followup inspection will need to be conducted to determine compliance with Rules.

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? Fail

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 REVEGETATION

Cropland

Top soil replaced \_\_\_\_\_ Recontoured \_\_\_\_\_ Perennial forage re-established \_\_\_\_\_

Non-Cropland

Top soil replaced Fail Recontoured Fail 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

Drilling operations have completed for well API 05-051-06158. Rig was released from site on 9/7/20210 (#402842689), frac treatment dates 9/8/2021 - 9/22/2021, with a completion date of 10/6/2021 (#402843634). Operator has constructed a multi-well location, but has only drilled/completed one well; frac equipment and drilling equipment no longer on site; continuous drilling or subsequent operations not evident. Pursuant to 1003 rules, interim reclamation required by 4/6/2022.

Corrective Action

Conduct 1003 interim reclamation, or comply with the January 5, 2017 "Notice to Operators: Interim Reclamation Procedures for Delayed Operations".

Date 04/06/2022Overall Interim Reclamation Fail**Final Reclamation/ Abandoned Location:**

Date Final Reclamation Started: \_\_\_\_\_ Date Final Reclamation Completed: \_\_\_\_\_

Final Land Use: RANGELAND

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 <input type="checkbox"/>		Multi-Well Location <input type="checkbox"/>		
<b>Storm Water:</b>						
Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
				Material Handling And Spill Prevention	Pass	
Comment:	<p>Chemicals observed within the containment BMP stored north of separator equipment. Chemicals also observed within bucket used to collect fluids from the scrubber drain at the separator (note to Operator: a metal bucket would be preferable to using a plastic one due to possible fire hazard from static electricity).</p> <p>See photos 15 and 18. Fluids/Chemicals require removal and proper disposal.</p>					
Corrective Action:	Remove and properly dispose chemicals/fluids within containment.					Date: 04/12/2022
Pits:	<input type="checkbox"/> NO SURFACE INDICATION OF PIT					

**Attached Documents**

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

Document Num	Description	URL
403005277	INSPECTION SUBMITTED	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5715072">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5715072</a>
696203544	Inspection Photos	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5715061">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5715061</a>