

**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:

07/10/2023

Submitted Date:

07/11/2023

Document Number:

696205082**FIELD INSPECTION FORM**Loc ID 324485 Inspector Name: Trujillo, Aaron On-Site Inspection ☐ 2A Doc Num: **Operator Information:**OGCC Operator Number: 10515Name of Operator: GUNNISON ENERGY LLCAddress: 1801 BROADWAY #1150City: DENVER State: CO Zip: 80202**Status Summary:**

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

Findings:14 Number of Comments7 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	Inspection mail box

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
283917	WELL	SI	09/01/2022	GW	051-06075	HOTCHKISS FEDERAL 12-89 18-43	RI
324485	LOCATION	AC			-	DGU Federal 1289 18-43 Pad	RI
436560	WELL	AL	11/17/2022	LO	051-06122	DGU Federal 1289 18-43 CS3	RI
436617	WELL	PR	02/01/2022	CBM	051-06126	DGU Federal 1289 18-43 CS2	RI

General Comment:

On 7/10/2023, Reclamation Specialist Trujillo inspected Gunnison Energy LLC's DGU Federal 1289/18 -43 Pad location in Gunnison County, Colorado.

This inspection is a followup to #696203551 dated 4/4/2022 and #696204284 to document compliance with the following corrective actions:

- Interim Reclamation
- Stormwater
- Unmarked anchors

This inspection is also in response to Resolution #403265281 stating Corrective actions have been completed.

This inspection is also a follow-up to NOAV #403347260.

It was observed that this Location remains out of compliance with COGCC Rules, as well as NOAV and Inspection corrective actions

The following new compliance issues were observed during this inspection:

- Signage/Labels/Placard requirements
- Weeds
- Wildlife protection devices

Refer to the "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

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: ☐**Signs/Marker:**

Type	TANK LABELS/PLACARDS		
Comment:	Tanks at the Battery facility observed missing required information such as name of Operator and Operator's emergency contact telephone number.		
Corrective Action:	Comply with Rule 605.h. The "Date of Discovery" is being provided as the corrective action date. Location will remain out of compliance until the corrective action is resolved.	Date:	07/10/2023
Type	BATTERY		
Comment:	Tank battery signage missing required information such as Well name(s) and API number(s) associated with the Tank battery and the legal location of the Well(s)		
Corrective Action:	Comply with Rule 605.e. The "Date of Discovery" is being provided as the corrective action date. Location will remain out of compliance until the corrective action is resolved.	Date:	07/10/2023
Type	CONTAINERS		
Comment:	Produced water, barrels adjacent to both wells.		
Corrective Action:		Date:	

Emergency Contact Number:

Comment: 970-874-7697/911

Corrective Action:

Date: _____

Good Housekeeping:

Type	WEEDS		
Comment:	Undesirable and Noxious Plant Species (Musk thistle, bindweed) observed established along the vegetated perimeter of the Location, and edge of the current working pad areas. Previous herbicide applications appear to have been performed, however weeds observed remain viable.		
Corrective Action:	Comply with Rules 606.c and 1003.f. The "Date of Discovery" is being provided as the corrective action date. Location will remain out of compliance until the corrective action is resolved.	Date:	07/10/2023
Type	TRASH		
Comment:	Various trash/debris/unused equipment observed improperly stored within the secondary containment of the tank battery facility, and on the northeast end of the Location.		
Corrective Action:	Comply with 606 Rules. The "Date of Discovery" is being provided as the corrective action date. Location will remain out of compliance until the corrective action is resolved.	Date:	07/10/2023

Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

Comment:

☐ Multiple Spills and Releases?**Equipment:**

corrective date

Type:	#		
Comment:	WELLS After review of well records and COGIS, it has been determined that the coordinates for the two of the permitted wells (051-06075, 051-06122), including the "as drilled" coordinates are incorrect.		

Corrective Action:	Submit correct coordinates for wells on the Location. Comply with Rule 216 for GPS/PDOP requirements. The "Date of Discovery" is being provided as the corrective action date. Location will remain out of compliance until the corrective action is resolved.	Date:	07/10/2023
Type:	#		
Comment:	Wildlife protection BMP (chicken wire/netting) at the Produced Water barrel's secondary containment, adjacent to well #051-06075, in disrepair.		
Corrective Action:	Implement or maintain wildlife protection BMPs. The "Date of Discovery" is being provided as the corrective action date. Location will remain out of compliance until the corrective action is resolved.	Date:	07/10/2023

Venting:

Yes/No			
Comment:			
Corrective Action:		Date:	

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Inspected Facilities

Facility ID: <u>283917</u>	Type: <u>WELL</u>	API Number: <u>051-06075</u>	Status: <u>SI</u>	Insp. Status: <u>RI</u>
Facility ID: <u>324485</u>	Type: <u>LOCATION</u>	API Number: <u>-</u>	Status: <u>AC</u>	Insp. Status: <u>RI</u>
Facility ID: <u>436560</u>	Type: <u>WELL</u>	API Number: <u>051-06122</u>	Status: <u>AL</u>	Insp. Status: <u>RI</u>
Facility ID: <u>436617</u>	Type: <u>WELL</u>	API Number: <u>051-06126</u>	Status: <u>PR</u>	Insp. Status: <u>RI</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 _____

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? Pass

Comment

Previous inspection observed anchors on the Location lack required marking. Inspection required Operator to comply with Rule 1003.a.

It was observed in this inspection that the anchors have been marked. This corrective action has been resolved.

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? Fail

Production areas have been stabilized? _____

Segregated soils have been replaced? Fail**RESTORATION AND REVEGETATION**Cropland

Top soil replaced _____

Recontoured _____

Perennial forage re-established _____

Non-CroplandTop soil replaced FailRecontoured Fail80% Revegetation Fail

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? _____

Comment

Inspections #696203551 and #696204284 observed areas of the Location not needed for production, and required Operator to comply with 1003 rules and to conduct interim reclamation by 5/31/2022.

It was observed in this inspection that the Location remains unchanged; interim reclamation of areas not needed for production have not been completed in accordance with 1003 rules and corrective actions.

Corrective action remains applicable.

Corrective Action

Comply with 1003 Rules.Date 05/31/2022Overall 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 ☐Multi-Well Location ☐**Storm Water:**

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment

Comment: [See "COGCC Comments" for comments related to Stormwater.](#)Corrective Action:

Date: _____

Pits: ☐ NO SURFACE INDICATION OF PIT

Permit:	Facility ID	Permit Num	Expiration Date
	284075	1433361	
	284075	1433361	

COGCC Comments

Comment	User	Date
<p>STORWMATER COMMENT</p> <p>Previous inspections observed that stormwater and erosion control measures to minimize erosion and degradation are missing or insufficient on the Location; BMPs missing or insufficient at the soil stockpile slopes on the northwest end of the Location, and the cut slopes on the east end of the Location; degradation evident. Northern inlet at the sediment trap on the east end of the Location has not been installed per good engineering practices, or maintained in proper functioning condition; stormwater runoff into trap has resulted in gully erosion at inlet. Inspection required Operator to comply with 1002.f.</p> <p>It was observed in this inspection that work to address the corrective actions have been completed:</p> <p>-Hydromulch has been applied to the cut slopes on the east end of the Location, as well as the exposed slopes of the soil stockpile on the north end of the Location. Though it is noted that the hydromulch shows signs of degradation and maintenance is advised to ensure slopes remain in compliance with Rules 1002.f.</p> <p>-The inlet to the sediment trap on the southwest corner of the Location has been repaired; gully erosion has been regraded and the inlet has been installed with rip-rap material in conjunction with liner material.</p> <p>BMPs appear to be in proper functioning condition at time of inspection.</p>	trujilloam	07/11/2023

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

Document Num	Description	URL
696205083	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6177348