

**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:

05/20/2024

Submitted Date:

05/23/2024

Document Number:

696205838

FIELD INSPECTION FORM

Loc ID: 324464 Inspector Name: Trujillo, Aaron On-Site Inspection: 2A Doc Num: _____

Status Summary:

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

Operator Information:

ECMC Operator Number: 10515
Name of Operator: GUNNISON ENERGY LLC
Address: 1801 BROADWAY #1150
City: DENVER State: CO Zip: 80202

Findings:

- 10 Number of Comments
- 3 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
Toews, Wesley		wtoews@blm.gov	
Kosola, Jason		jason.kosola@state.co.us	
Grey, Daniel		daniel.gray@usda.gov	USFS inspections
Energy, Gunnison		geops@oxbow.com	
,		dnr_cogccenforcement@state.co.us	
Fischer, Alex		alex.fischer@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
120678	GAS COMPRESSOR STATION	AC	12/04/2001		-	RAGGED MTN COMPRESSOR STA 120678	RI
211700	WELL	SI	02/01/2024	GW	051-06022	FEDERAL 30-4	RI
324464	LOCATION	AC			-	FEDERAL-610S90W 30SWSE	RI

General Comment:

On 5/20/2024, Reclamation Specialist Trujillo conducted an interim reclamation and stormwater inspection at Gunnison Energy's FEDERAL-610S90W30SWSE Location in Gunnison County, Colorado.

Location is Fed Surface (USFS) / Fed Mineral.

This inspection is a followup to FIR #696205094 to document compliance with the following corrective actions:

- Interim Reclamation
- NOAV abatement requirements
- Good housekeeping
- Stormwater

It was observed that this Location remains out of compliance with NOAV abatement requirements.

The following new compliance issues were observed during this inspection:

- Bore holes missing protective fencing.
- Weeds

Refer to the "Location", "Reclamation" and "stormwater" sections of this inspection report for additional details.

Location

Overall Good:

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Good Housekeeping:

Type

Comment: [Good Housekeeping issues per inspection #696205094 have been resolved.](#)

Corrective Action:

Date:

Overall Good:

Spills:

Type

Area

Volume

In Containment: No

Comment:

Multiple Spills and Releases?

Venting:

Yes/No

Comment:

Corrective Action:

Date:

Flaring:

Type

Comment:

Corrective Action:

Date:

Inspected Facilities

Facility ID: 120678 Type: GAS API Number: - Status: AC Insp. Status: RI

The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

Facility ID: 211700 Type: WELL API Number: 051-06022 Status: SI Insp. Status: RI

The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

Facility ID: 324464 Type: LOCATION API Number: - Status: AC Insp. Status: RI

The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

Environmental

Spill/Remediation:

Comment: Operator has drilled two holes at the tank battery facility for sampling purposes; holes are approximately 1.5 feet wide and appear ~15-20 feet in depth; areas have not been properly fenced or covered to prevent access by people or wildlife.
Operator on Location was provided notice of the fencing requirements at time of inspection.

Corrective Action: **Comply with Rules 913.b.(5)j and 902.** Date: 05/23/2024

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: _____

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 _____ Fail _____

Comment [See "Comment #1" under "COGCC Comments" at the end of this report for comments regarding Surface Disturbance Minimization.](#)

Corrective Action **Comply with NOAV #403040539 Abatement / Corrective Action requirements.**

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? 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 _____ 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

See "Comment #2" under "COGCC Comments" at the end of this report, for comments regarding interim reclamation.

 Noxious weeds (Musk thistle, Canada thistle) observed throughout the Location, including the disturbed areas northwest of the Location, areas where production equipment associated with the Compressor unit was located on the north end of the location, the sediment trap and perimeter stormwater diversion ditch.

Corrective Action

Comply with Rules 1003.f and 606.c.

Date 06/23/2024

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 _____

1004.d. FINAL VEGETATION TRANSECT
 TRANSECT RESULTS OF DISTURBED AREA% _____
 TRANSECT RESULTS OF REFERENCE AREA% _____
 TOTAL % OF DESIRABLE VEGETATION COVER _____
 VEGETATIVE COVER _____

Comment:	<p>Operator submitted Form 6- Notice of Intent to Abandon for the Federal 30-4 well. Location will be subject to 1004 requirements upon abandonment; Location facilities (well, battery, flowlines, etc...) will be subject to closure requirements pursuant to Rule 911. Including EPS for notification purposes.</p> <p>Remediation project #23126 related to closure/decommissioning of the Ragged Mtn Compressor Station currently in process.</p>	
Corrective Action:	<input style="width: 95%;" type="text"/>	Date: _____
Overall Final Reclamation <input type="checkbox"/> Well Release on Active Location <input type="checkbox"/> Multi-Well Location <input type="checkbox"/>		

Storm Water:

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

Comment:	<p>Stormwater issues identified in FIR 696205094 have been resolved. No immediate stormwater issues observed at time of inspection.</p>	
Corrective Action:	<input style="width: 95%;" type="text"/>	Date: _____

Pits: NO SURFACE INDICATION OF PIT

ECMC Comments		
Comment	User	Date
<p>COMMENT #1</p> <p>Inspection dated 7/21/2021 observed unused equipment, and other supplies not necessary for use improperly stored on off-site areas adjacent to (north of) the Location.</p> <p>Subsequent inspections between 8/3/2021 and 11/24/2021 observed unused equipment/supplies remain improperly stored off-site; inspection on 4/4/2022 observed unused equipment/supplies had been removed.</p> <p>Operator failed to minimize their land disturbances; NOAV #403040539 was issued 5/6/2022 requiring Operator to conduct and submit (attached to a Form 4) a detailed assessment of the disturbed areas attached to NW Reclamation Specialist Trujillo by 6/5/2022.</p> <p>It was observed in this inspection that the disturbed areas where unused equipment/supplies were improperly stored remain apparent, and no Form 4 with the required assessment information per the NOAV has been submitted.</p> <p>NOAV abatement or corrective action requirements have not been addressed.</p>	trujilloam	05/23/2024

<p>COMMENT #2</p> <p>Inspection on 5/6/2021 and observed disturbed areas on the northwest end of the Location that are no longer needed for production and require interim reclamation. Inspection required Operator to comply with Rule 1003.b by 6/7/2021.</p> <p>Five (5) follow-up inspections between 6/15/2021 and 4/4/2022 observed that interim reclamation had not been performed; NOAV #403040539 was issued 5/6/2022 requiring compliance with the corrective action(s).</p> <p>Operator submitted FIRR #403052855 stating corrective action was completed on 5/13/2022.</p> <p>A sixth (6th) follow-up inspection on 11/1/2022 observed corrective action was not addressed.</p> <p>Operator submitted an application to hearings requesting a variance to Rule 1003. Refer to CECMC Docket #220700178.</p> <p>The overall status of the interim reclamation for the Federal 30-4 Location will be considered "in process" until a Commission Order regarding the variance request has been provided. However, it is being noted that Operator is in the process of decommissioning facilities, including the well, on the Location and that upon abandonment and facility closure, the Location will be subject to 1004 requirements.</p>	<p>trujilloam</p>	<p>05/23/2024</p>
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Attached Documents

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

Document Num	Description	URL
696205839	Inspection Photos	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6560171