

**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:

09/24/2021

Submitted Date:

09/28/2021

Document Number:

696203160

FIELD INSPECTION FORM

Loc ID: 453805 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

Findings:
 14 Number of Comments
 10 Number of Corrective Actions
 Corrective Action Response Requested

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

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	
		tyson.johnston@oxbow.com	
		heather.lang@oxbow.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
453805	LOCATION	AC			-	Trail Gulch Unit 1090 30	CI

General Comment:

On 9/24/2021, Reclamation Specialist Trujillo conducted a stormwater and construction inspection at Gunnison Energy's Trail Gulch 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 to document compliance with the following corrective actions:

- 605/1002.f.(2)B: Safety Labeling
- 912: Spills and releases
- 1002.f: Stormwater
- 1002.f.(2)A: Covering Materials
- 1002.f.f(2)B: Materials handling and spill prevention

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

The following additional compliance issues were observed in this inspection:
 1002.c/606.c: Protection of soils, noxious weeds

Refer to the "Location Construction" and "Reclamation" 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.

Location

Overall Good:

Signs/Marker:

Type CONTAINERS

Comment: Previous inspection observed that labeling information, including safety information, were missing or inadequate on several barrels, and containers throughout the Location.

Operator submitted FIRR 402778100 stating containers without labeling are compliant. FIRR was denied with the following: Safety labeling is needed in order for COGCC Staff to properly identify contents within a container; if staff is unable to identify contents, staff is unable to accurately assess whether or not container is used to store, treat or otherwise handle hazardous material.

It was observed in this inspection that containers remain on location without required labeling. See photo 19.

Corrective Action: Original corrective action and date remains applicable:
Install labeling information identifying contents.

Date: 07/28/2021

Emergency Contact Number:

Comment:

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:

Location Construction

Location ID: 453805

CDP:

Comment: Drill rig previously observed on Location has been removed. F42 #402802583 shows fracturing treatment commenced 9/9/2021 with anticipated flowback on 9/27/2021. Continuous Operations not observed for remaining permitted wells on Location. If additional Operations are not planned/commenced, interim reclamation is required per Rule 1003.b, or a NTO: Interim Reclamation procedures for Delayed Operations request must be submitted and approved.

Corrective Action:

Date:

Form 2A COAs:

Comment:

Corrective Action:

Date:

Wildlife BMPs:

Comment:

Corrective Action:

Date: _____

Stormwater:

Erosion BMPs	Present	Other BMPs	Present
		Covering Materials	

Comments: Erosion BMPs: Previous inspection documented improper materials management and covering to minimize contact of precipitation and stormwater runoff with materials, with potential to result in discharges causing pollution to surface waters.

It was observed in this inspection that the materials observed with inadequate covering and materials management have been removed from the Location.

Other BMPs: Corrective action is no longer applicable as materials have been removed, however, it is noted that Operator failed to comply with the corrective actions and Rule 1002.f.(2)A.

Corrective Action: _____ **Date:** _____

	No		
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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

It was observed in this inspection that Operator has installed a silt fence at the toe of the slopes to manage runoff, however BMPs remain missing or insufficient to protect/stabilize the southeastern fill slopes.

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

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

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 throughout majority of the western perimeter.

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.

Original corrective action has not been addressed and remains applicable. See photo 6-7.

Other BMPs:

Corrective Action: Comply with Rule 1002.f and install or repair required BMPs in accordance with good engineering practices **Date:** 06/20/2021
1

RETENTION PONDS			
Comments:	Erosion BMPs:	<p>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.</p> <p>It was observed in this inspection that the inlets at the trap remain inadequate, and not constructed in accordance with good engineering practices.</p>	
	Other BMPs:	See Photo 12. Original corrective action and date remains applicable.	
Corrective Action: Comply with Rule 1002.f; install or repair BMP in accordance with good engineering practices.		Date: 07/28/202	1
		Material Handling And Spill Prevention	
Comments:	Erosion BMPs:	<p>Previous inspection observed two porta-johns on the Location that were not properly secured.</p> <p>It was observed in this inspection that the porta-john on the north end of the Location remains improperly secured; porta-john on the south end of the Location secured with stakes at base. See photo 2.</p> <p>Corrective action has not been addressed and remains applicable.</p>	
	Other BMPs:		
Corrective Action: Comply with Rule 1002.f.(2)B		Date: 07/28/202	1
		No	
Comments:	Erosion BMPs:	<p>Previous inspections observed that control measures to protect and stabilize the cut and fill slopes of the Location are missing or insufficient.</p> <p>It was observed in this inspection that BMPs remain missing or insufficient; erosion degradation has persisted on slopes of the Location. CA has not been addressed and remains applicable. See photos 3-4</p>	
	Other BMPs:	<p>Previous inspection noted that Operator implemented tracking along the contour of the cut/fill slopes, and that the BMP was not implemented per good engineering practices; as a result, improper tracking and has facilitated erosion degradation on the slopes.</p>	
Corrective Action: Comply with Rule 1002.f and install BMPs to protect and stabilize the cut and fill slopes of the Location.		Date: 06/18/202	1
		Material Handling And Spill Prevention	
Comments:	Erosion BMPs:	<p>Precious inspection observed spills and impacted stormwater on the Location as a result of improper material handling and spill prevention. Inspection required Operator to comply with Rule 1002.f and remove fluids/spills, and clean up.</p> <p>It was observed in this inspection that the stored material previously documented have largely been removed from the Location, however material handling and spill prevention remains inadequate; spills and impacted storwmater was observed. See photo 17.</p>	
	Other BMPs:	<p>Large mats for drilling/frac Operations, and 4 Minion tanks observed placed on areas of the pad where previous spills were observed; unable to sufficiently determine if previous spills/impacted soils were cleaned or removed.</p>	
Corrective Action: Comply with Rule 1002.f and remove fluids/spills on the Location. Clean up impacted soils per Rule 912.a. and remediate to Table 915-1 Cleanup Concentrations by 7/28/2021; for non-E&P waste comply with Rules 906.a-d		Date: 07/22/202	1

	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 It was observed in this inspection that BMPs remain missing or insufficient at the entire topsoil stockpile. CA has not been addressed and remains applicable. See photo 14	
Other BMPs:	BMPs remain missing or insufficient along the entire perimeter of the topsoil stockpile to prevent sediment transport; erosion logs (straw wattles) observed on the eastern/northern/western perimeter of the topsoil stockpile; BMP has not been installed in accordance with good engineering practices. See photo 15	
Corrective Action: <u>Comply with Rule 1002.f and Rule 1002.c.</u>		Date: 05/21/2021 1

	Material Handling And Spill Prevention	
Comments: Erosion BMPs:	Previous inspection observed several barrels/tanks/containers stored on the location with inadequate spill prevention/containment measures. Inspection required Operator to comply with Rule 1002.f. It was observed in this inspection that barrels/tanks/containers previously observed have largely been removed from the Location; remaining containers have been secured to prevent spilling, or placed in secondary containment. CA has been addressed	
Other BMPs:	<div style="border: 1px solid black; height: 20px;"></div>	
Corrective Action:		Date:

Comments: Erosion BMPs:	It was observed in this inspection that sections of the ditch on the west end of the Location have been regraded; other sections remain constructed with vertical slopes; soils at BMP remain improperly consolidated. BMPs to prevent incision/ degradation remain inadequate; BMP remains improperly constructed per good engineering practices; runoff causing degradation within channel. CA remains applicable. See photos 9-10	
Other BMPs:	Previous inspection observed that the armoring at the stormwater outlets leading from the pad was inadequate; erosion degradation evident. It was observed that the armoring at the outlets remain inadequate; erosion degradation has not been mitigated, and has expanded. CA remains applicable. See photo 8.	
Corrective Action: <u>Comply with Rule 1002.f and install or repair BMPs in accordance with good engineering practices.</u>		Date: 07/28/2021 1

Comment:

Corrective Action: **Date:** _____

On Site Inspection (305):

Surface Owner Contact Information:

Name: _____ Address: _____

Phone Number: _____ Cell Phone: _____

Operator Rep. Contact Information:

Inspector Name: Trujillo, Aaron

Landman Name: _____	Phone Number: _____	
Date Onsite Request Received: _____	Date of Rule 306 Consultation: _____	
Request LGD Attendance: _____		
<u>LGD Contact Information:</u>		
Name: _____	Phone Number: _____	Agreed to Attend: _____
<u>Summary of Landowner Issues:</u>		
[]		
<u>Summary of Operator Response to Landowner Issues:</u>		
[]		
<u>Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:</u>		
[]		

Inspected Facilities

Facility ID: 453805 Type: LOCATION API Number: - Status: AC Insp. Status: CI

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 _____ Fail _____

Comment **BMPs to prevent weed establishment inadequate; noxious weeds (Musk thistle) observed established on the topsoil stockpile. See photo 16.**
In addition, noxious weeds (Canada thistle) observed establishing within the sediment trap/pond. See photo 13.

Corrective Action **Comply with Rule 1002.c and Rule 606.c** Date **10/05/2021**

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? _____ 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 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? _____
 Comment
 Corrective Action Date _____

Overall Interim Reclamation

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

Attached Documents

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

Document Num	Description	URL
696203161	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5542141