

**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:

05/21/2024

Document Number:

696205822

FIELD INSPECTION FORM

Loc ID: 324485
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:

- 6 Number of Comments
- 2 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
Schwarz, Stephen		stephen.schwarz@state.co.us	
,		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
436617	WELL	PR	02/01/2022	CBM	051-06126	DGU Federal 1289 18-43 CS2	RI

General Comment:

On 5/20/2024, Reclamation Specialist Trujillo conducted an interim reclamation and stormwater inspection at Gunnison Energy LLC's DGU Federal 1289 18-43 Pad location in Gunnison County, Colorado.

This inspection is a followup to #696203551, #696204284 and #696205082 to document compliance with the following corrective actions:
-Interim Reclamation
-Stormwater

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

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

Refer to the "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 inspection that have not been addressed are still applicable. Refer to inspection #708302171 for corrective actions per the Compliance Unit.

Location

Overall Good:

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Overall Good:

Spills:				
Type	Area	Volume		

In Containment: No

Comment:

Multiple Spills and Releases?

Equipment:		corrective date
Type:	#	
Comment:	Inspection #696205082 documented that the coordinates for the two of the permitted wells (051-06075, 051-06122), including the "as drilled" coordinates are incorrect. Inspection required operator to submit correct coordinates for wells on the Location, and to comply with Rule 216 for GPS/PDOP requirements. Unable to find records that updated well coordinates have been submitted. This CA has not been addressed and remains applicable.	
Corrective Action:	Submit correct coordinates for wells on the Location. Comply with Rule 216 for GPS/PDOP requirements.	Date:

Venting:		
Yes/No		
Comment:		
Corrective Action:		Date:

Flaring:		
Type		
Comment:		
Corrective Action:		Date:

Inspected Facilities

Facility ID: 283917 Type: WELL API Number: 051-06075 Status: SI Insp. Status: RI

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

Facility ID: 324485 Type: LOCATION API Number: - Status: AC Insp. Status: RI

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

Facility ID: 436617 Type: WELL API Number: 051-06126 Status: PR Insp. Status: RI

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

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? _____

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? Fail

RESTORATION AND REVEGETATION

Cropland

Top soil replaced _____ Recontoured _____ Perennial forage re-established _____

Non-Cropland

Top soil replaced Fail Recontoured Fail 80% 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

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

Storm Water:

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

Comment: 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. Inspection required Operator to comply with 1002.f.

Inspection #696205082 observed that hydromulch appeared to have been applied to soils on the Location, though BMP was showing signs of disrepair and maintenance was advised.

It was observed in this inspection that Operator has failed to maintain BMPs at the soil stockpiles; soils bare, loose and at risk to wind and water erosion.

Refer to inspection #708302171 for additional stormwater corrective action requirements.

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

Date: 05/28/2024

Pits: NO SURFACE INDICATION OF PIT

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

ECMC Comments

Comment	User	Date
<p>RECLAMATION COMMENT</p> <p>Previous inspections 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.</p> <p>Operator filed Docket No. 230500138 on 5/1/2023 requesting a 502.b variance to waive requirements of Rule 1003.b regarding interim reclamation of areas not reasonably necessary for production operations.</p> <p>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. However, the status of interim reclamation and 1003 requirements of the Location is pending Commission decision.</p> <p>It is being noted that that Operator has submitted "Form 6- Notices of Intent to Abandon" for the two remaining wells on the Location (Form 6 Nos. 403712375 403712360, submitted 3/7/2024); the Location will be subject to 1004 Final Reclamation requirements upon plugging and abandonment of the wells. Including Hearings Liaison for notification purposes.</p>	trujilloam	05/21/2024

Attached Documents

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

Document Num	Description	URL
696205823	Inspection Photos	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6556602