

FORM
INSPRev
X/20State of Colorado
Oil and Gas Conservation Commission1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109

Inspection Date:

10/31/2024

Submitted Date:

11/01/2024

Document Number:

696206393

FIELD INSPECTION FORM

Loc ID 427218 Inspector Name: Trujillo, Aaron On-Site Inspection ☐ 2A Doc Num: ☐

Operator Information:

ECMC Operator Number: 10515

Name of Operator: GUNNISON ENERGY LLC

Address: 999 18TH STREET SUITE 1755N

City: DENVER State: CO Zip: 80202

Status Summary:

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

Findings:

16 Number of Comments

1 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
Kosola, Jason		jason.kosola@state.co.us	
Chamard, Megan		megan.chamard@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
427218	LOCATION	AC			-	DGU Federal 1289 Section 18 Pad	RI

General Comment:

On 10/31/2024, Western Reclamation Work Lead Trujillo conducted an interim reclamation inspection at Gunnison Energy's DGU Federal 1289 Section 18 Pad location in Gunnison County, Colorado.

This inspection is a followup to #696205086 to document compliance with the following corrective actions:

- §34-60-121(1)(a), C.R.S.: Form 4 condition requirements
- Interim Reclamation
- Stormwater
- Containment BMP lacks integrity

It was observed in this inspection that corrective actions related to Interim Reclamation and Stormwater have been resolved; corrective action regarding containment integrity remains outstanding.

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 inspection that have not been addressed are still applicable.

LocationOverall Good: ☐

Emergency Contact Number:

Comment: Corrective Action: Date: Overall Good: ☐**Spills:**

Type	Area	Volume		

In Containment: No

Comment: ☐ Multiple Spills and Releases?**Tanks and Berms:**

Contents	#	Capacity	Type	Tank ID	SE GPS	
PRODUCED WATER	2	400 BBLS	STEEL AST		,	
Comment:	<input type="text"/>					
Corrective Action:	<input type="text"/>				Date:	<input type="text"/>

Paint

Condition	<input type="text"/>	
Other (Content)	<input type="text"/>	
Other (Capacity)	<input type="text"/>	
Other (Type)	<input type="text"/>	

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal		Walls Insufficient	Base Insufficient	Inadequate
Comment:	See "COGCC Comments" at the end of this report.			
Corrective Action:	Install/maintain secondary containment BMP; ensure BMP is sufficiently impervious to contain a spill or release.			Date: <input type="text"/>

Venting:

Yes/No	<input type="text"/>	
Comment:	<input type="text"/>	
Corrective Action:	<input type="text"/>	
	Date:	<input type="text"/>

Flaring:

Type	<input type="text"/>	
Comment:	<input type="text"/>	
Corrective Action:	<input type="text"/>	
	Date:	<input type="text"/>

Inspected Facilities									
Facility ID:	427218	Type:	LOCATION	API Number:	-	Status:	AC	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 SEGREGATION _____

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? _____ 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 REVEGETATIONCropland

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

Inspection #696205086 (7/10/2023) and #696205828 (5/20/2024) observed that interim reclamation was not been performed. Inspections required Operator to comply with 1003 Rules, and Form 4 #696203557 COAs

It was observed in this inspection that interim reclamation of areas not necessary for production has been performed; areas have been recontoured/regraded, topsoil appears to have been replaced and areas seeded, and stabilized with straw mulch. Plant germination of what appears to be a wheatgrass species observed. This CA has been resolved.

Continue to monitor/manage interim areas until Location receives a passing final inspection.

Corrective Action

Date _____

Overall Interim Reclamation In Process

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
Rip Rap						Sed traps, inlets/outlets, culvert
Compaction	In Process					Maintenance advised
Sediment Traps						South end of Location.
Sediment Traps						NE end of Location.
Seeding						
Gravel	In Process					Maintenance advised
Mulching						
Check Dams						Ditches
Sediment Traps						East end of Location.
Slope Roughening						Tracking, interim areas, slopes.
Culverts						North end of Location.
Ditches						Perimeter WPS

Comment:

Stormwater CAs per Inspections #696204293/696205086/696205828 have been resolved.

BMPs (Gravel/Compaction) to stabilize the working pad surface, and to minimize vehicle tracking/sediment transport is sparse and showing signs of disrepair; tracking/degradation becoming apparent. Maintenance advised.

Straw mulch applied to interim areas has not been crimped/anchored per good engineering practices.

Continue to monitor/manage stormwater on the Location. Ensure BMPs remain in proper functioning condition pursuant to Rule 1002.f requirements.

Corrective Action: Date: _____

Pits: ☐ NO SURFACE INDICATION OF PIT

ECMC Comments

Comment	User	Date
TANK BATTERY- SECONDARY CONTAINMENT COMMENTS Operator Submitted Form 19 #403358735 on 3/30/2023 stating a produced water spill at the tank battery facility breached containment; Spill has been managed and resolved under Remediation Project #28376. Inspection #696205086 dated 07/10/2023, and Inspection #696205828 dated 5/20/2024 observed that Operator failed to take appropriate action to ensure any further spills/releases would remain in containment; secondary containment BMP at the battery was not sufficiently impervious to contain a spill or release; holes/tears remain within the secondary containment liner. Inspections required Operator to install/maintain secondary containment BMP, and to ensure BMP is sufficiently impervious to contain a spill or release. It was observed in this inspection that work to install or repair and maintain the BMP has not been performed; Hole in liner identified in previous inspections along the western wall of the containment measure has not been repaired. This CA has not been addressed and remains applicable.	trujilloam	11/01/2024

Attached Documents

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

Document Num	Description	URL
696206394	Inspection Photos	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6770026