



Caerus Piceance LLC  
143 Diamond Ave  
Parachute, CO 81635

April 19, 2018

Director Murphy  
Colorado Oil & Gas Conservation Commission  
1120 Lincoln Street, Suite 801  
Denver, CO 80203

**RE: Rule 502.b. Variance**

Dear Director Murphy,

Caerus Piceance LLC. (Caerus) is formally requesting a Rule 502.b. variance for the FINCH-610S96W 13NWNE Location (Location ID# 312413). A variance is being requested for the following Rules:

**Rule 1004.a As applicable, compaction alleviation, restoration and revegetation of well sites, associated production facilities and access roads shall be performed to the same standards as established for interim reclamation under Rule 1003.**

**Rule 1004.d Final reclamation of all disturbed areas shall be considered complete when all activities disturbing the ground have been completed, and all disturbed areas have been either built upon , compacted, covered, paved or otherwise stabilized in such a way as to minimize erosion, or a uniform vegetative cover has been established that reflects pre-disturbance or reference area forbs, shrubs, and grasses with total percent plant cover of at least eighty percent (80%) of pre-disturbance or reference area levels, excluding noxious weeds, or equivalent permanent , physical erosion reduction methods have been employed. Re-seeding alone is not sufficient.**

The request is being made to accommodate the wishes of the surface owner to utilize the well pad and access road for recreational and storage purposes. The well has been plugged and a Subsequent Form 6 has been filed. All associated production facilities and trash and debris has been removed. Caerus and the surface owner conducted an onsite inspection on September 5th, 2017 and the surface owner has signed a Final Reclamation Agreement.

The pad area has been left flat, compacted, and graveled to be used as a future storage area for recreational vehicles and equipment. There is no active stormwater erosion on site and noxious weeds have been controlled. The access road has been left compacted and stabilized to allow for access to the lands and for parking and turnaround of vehicles used in recreational pursuits.



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Caerus has conducted an Operators Analysis and determined that public health, safety, welfare and the environment will not be harmed if the variance is approved.

All supporting documentation has been attached to the submitted Form 4 Sundry Notice (Doc# 401613847).

If you have any questions or need additional information, please contact me at 970-285-2656 or at [jeckman@caerusoilandgas.com](mailto:jeckman@caerusoilandgas.com).

Sincerely,

A handwritten signature in blue ink that reads "Jason Eckman". The signature is written in a cursive, flowing style.

Jason Eckman  
Sr. Regulatory Analyst

April 10, 2018

STATES LIVING TRUST  
TRUSTEE: Michael States  
TRUSTEE: Janet Burnett  
2908 F1/2 RD  
Grand Junction, CO  
81504

Re: Final Reclamation Agreement  
Finch 13-3 (PL13NE) (A.P.I. 05-077-08135)  
T.10S. R.96W., 6th P.M.  
Section 13: NWNE  
Mesa County, Colorado

Dear Mr. States and Mrs. Burnett:

Caerus Piceance LLC (Caerus) is the operator of the Finch 13-3 (PL13NE). The well has been plugged and a Subsequent Form 6 has been filed with the Colorado Oil and Gas Conservation Commission (COGCC). All associated production facilities and any trash or debris connected to the previous oil and gas operations have been removed from the well site.

In accordance with the requirements of COGCC Rules 306.a. and 306.f an on-site review of the planned reclamation of the well site was conducted on September 5<sup>th</sup>, 2017. Reclamation of the well site and the access road has been completed per your specifications. There is no evidence of active stormwater erosion or noxious weeds on the site. The well site has been left flat and has been graveled, leaving a large, stabilized, turnaround as a future storage area. Limited recontouring of fill slopes has been completed to alleviate gradient, permanently manage stormwater flows and prevent erosion and soil loss. The access road and well location have been graveled, compacted and stabilized and have been left to allow for access to the lands for parking and a turnaround for vehicles used in your recreational pursuits.

A waiver of the following COGCC 1000 Series rules is requested:

**1004.a As applicable, compaction alleviation, restoration, and revegetation of well sites, associated production facilities, and access roads shall be performed to the same standards as established for interim reclamation under Rule 1003.** Compaction of the well site has not been alleviated and this area of the site has not been recontoured or revegetated. The access road is being left in a compacted and stable state. The site has not been recontoured. You, as the Surface Owner, wish to waive the requirement for the recontouring of the site to “as nearly as practicable to their original condition”.

**1004.d Final reclamation of all disturbed areas shall be considered complete when all activities disturbing the ground have been completed, and all disturbed areas have been either built upon, compacted, covered, paved, or otherwise stabilized in such a way as to minimize erosion, or a uniform vegetative cover has been established that reflects pre-disturbance or reference area forbs, shrubs, and grasses with total percent plant cover of at least eighty percent (80%) of pre-disturbance or reference area levels, excluding noxious weeds, or equivalent permanent, physical erosion reduction methods have been employed. Re-seeding alone is not sufficient.** The site has been graveled and compacted and thus stabilized, with slopes stabilized and stormwater flows permanently managed to prevent erosion of the slopes and resulting soil loss. You, as the Surface Owner, wish to waive any

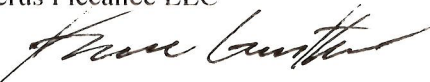
requirement for eighty percent (80%) pre-disturbance vegetative cover on the site and the access road as they are permanently stabilized, and the un-vegetated, graveled surface is needed for your beneficial use of the land.

You, as the Surface Owner, agree that Caerus has fulfilled the requirements set forth by the COGCC for the abandonment of the wells, including reclamation required under COGCC Rules 1001 through 1004, that you have waived the reclamation of the access road and turnaround area and certify that you are the owner of the surface of the Lands. You understand and agree that Caerus shall have no further responsibility or liability for the reclamation of the road and turnaround. You acknowledge that you are accepting responsibility for any future reclamation of the unreclaimed portion of the land and, to the extent applicable, for protection of topsoil on the unreclaimed portion of the land. You acknowledge that Caerus has complied with your direction regarding final reclamation of the well and associated well site. You also acknowledge that Caerus has provided you with a copy of COGCC Rules 1001 through 1004. Your acceptance and acknowledgement of the foregoing does not release Caerus from its responsibilities to comply with regulations administered by the COGCC, nor do you by signing accept any responsibility or future liability for the same.

If this letter correctly reflects your agreement, please sign and date this letter and return one copy to the undersigned.



Thank you for your time and consideration in this matter. If you have any questions or comments, please call the undersigned at 970-285-2816.

Sincerely,  
Caerus Piceance LLC

  
Kane Gunther – Surface Landman

I ACKNOWLEDGE AND AGREE as set forth above.

SURFACE OWNER

Signed:   
Michael States  
  
Janet Burnett

Date: 4/16, 2018



## Exhibit "A"











COGCC Landowner Reclamation Variances and Waivers Guidance Document - Operator Analysis

Location Data

Location Name:	Finch 13-3 (PL13NE)
API:	05-077-08135
Legal:	T.10S. R.96W., 6th P.M. - Section 13, NWNE
Landowner:	States Living Trust: Michael States and Janet Burnett
Waiver/Variance Request:	Final Reclamation - Access Road and Well Pad
Waiver/Variance Request from Rules:	1004.a & 1004.d
Disturbed Area Reclaimed	0.10 Acres
Disturbed Area to Remain	0.25 Acres

Guidance Document Criteria

All Wells on Location Plugged and Abandoned (Y/N)	Yes
Form 6 Subsequent Submitted (Y/N)	Yes
O&G Equipment Removed (Y/N)	Yes
Trash and Debris Removed (Y/N)	Yes
Noxious Weeds Controlled (Y/N)	Yes
Consultation with Landowner (Y/N)	Yes
Existing State of Reclamation:	Reclamation of the well site and the access road has been completed per the landowner specifications. There is no evidence of active stormwater erosion or noxious weeds on the site. The well site has been left flat and graveled, leaving a large, stabilized, turnaround as a future storage area. Limited recontouring of fill slopes has been completed to alleviate gradient, permanently manage stormwater flows and prevent erosion and soil loss. The access road and well location have been graveled, compacted and stabilized and have been left to allow for access to the lands for parking and a turnaround for vehicles used in your recreational pursuits
Stormwater Management Controls/Stabilization:	There is no evidence of active stormwater erosion on the site. Limited recontouring of fill slopes has been completed to alleviate gradient, permanently manage stormwater flows and prevent erosion and soil loss. The access road and well location have been graveled, compacted and stabilized.
Topsoil Conservation:	Topsoil present at the time of construction was redistributed around the well pad.
Nature of Location: Urban/Rural	Rural
Proximity to Surface Water:	An intermittent drainage is located approximately 100 feet to the east of the location. The well pad and access road are graded and stabilized to prevent runoff from reaching surface water.
Wildlife Areas:	This location does not fall within a CPW RSO or SWH area.
317B Area (Y/N):	This location does not fall within a 317B Area
Sensitive Area Classification:	This location does not fall within a classified sensitive area.
Comparative benefits of re-contouring and reseeding vs. reseeding only	Reclamation of the well site and the access road has been completed per the landowner specifications. There is no evidence of active stormwater erosion or noxious weeds on the site. The well site has been left flat and graveled, leaving a large, stabilized, turnaround as a future storage area. Limited recontouring of fill slopes has been completed to alleviate gradient, permanently manage stormwater flows and prevent erosion and soil loss. The access road and well location have been graveled, compacted and stabilized and have been left to allow for access to the lands for parking and a turnaround for vehicles used in your recreational pursuits
Conclusion:	Caerus' analysis, in accordance with COGCC guidance, would indicate that the granting of this variance request would not endanger public health, safety, and welfare, or significantly impact the environment or wildlife resources.



