



Caerus Piceance LLC
143 Diamond Ave
Parachute, CO 81635

December 18, 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 Puckett 67S96W 18SWNW location (Location ID# 335016). 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.

The request is being made to accommodate the wishes of the surface owner, Puckett Land Company, to conduct limited recontouring of the well pad and access road on its property. Six (6) wells were proposed on the location and Applications for Permit to Drill were approved in 2008; none of the six (6) wells were drilled and the permits expired on October 11, 2011. All associated production facilities, trash and debris have been removed. Caerus conducted an onsite inspection with Puckett Land Company representative Chuck Whiteman on June 5, 2018 and the surface owner has signed a Final Reclamation Agreement.

The pad and access road on the property has had soil compaction alleviated, top soil distributed across the site and been reseeded to establish vegetation growth. Limited recontouring has been completed in such a manner as to permanently manage stormwater to prevent soil from leaving the site and utilize run-on to facilitate natural irrigation of the reclaimed area. The well site has not been fully recontoured to the approximate pre-existing natural ground contour, to promote revegetation, allow for use of the leveled area in grazing operations and as a camp location for hunting operations on the property. There is no active stormwater erosion on site and noxious weeds have been controlled. A portion of the access road on Bureau of Land Management ("BLM") lands, that pre-dates the construction of the site, remains in a compacted and stable state, per BLM direction, to allow for access to a water tank used by grazing permit holders in the NENE of Section 24, Township 7 South, Range 97 West of the 6th P.M., Garfield County, Colorado, as shown in Exhibit "A".

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# 401809327).



Caerus Piceance LLC
143 Diamond Ave
Parachute, CO 81635

If you have any questions or need additional information, please contact me at 970-285-2656 or at jeckman@caerusoilandgas.com.

Sincerely,
Caerus Piceance LLC

A handwritten signature in blue ink that reads "Jason Eckman". The signature is fluid and cursive, with the first letters of each word being capitalized and prominent.

Jason Eckman
Sr. Regulatory Analyst

December 4th, 2018

Puckett Land Company
Attn: Eric R. Stearns
5460 S Quebec St.
Greenwood Village, CO
80111

Re: Final Reclamation Agreement
Multi-Well Pad (6 Wells)
Section 18 Pad
Location I.D. #: 335016
T.7.S. R.96.W., 6th P.M.
Section 18: SWNW
Garfield County, CO

Dear Mr. Stearns:

Caerus Piceance LLC ("Caerus") is the operator of the PUCKETT-67S96W 18SWNW location, also known as the Section 18 Pad. Applications for Permit to Drill for six (6) wells that were to be drilled on the well site were submitted in June of 2008 and the location was constructed. None of the six (6) wells were drilled and the location was abandoned on October 11, 2011.

The following is the list of wells originally proposed to be drilled on the location:

API Number	Facility Name
045-14344	PUCKETT 22C-18D
045-14343	PUCKETT 22B-18D
045-14345	PUCKETT 12B-18D
045-14346	PUCKETT 12D-18D
045-14347	PUCKETT 22D-18D
045-14342	PUCKETT 12C-18D

All associated production facilities and any trash or debris connected to the previous oil and gas operations have been removed from the well site. A reclamation onsite of the well site was completed on June 5, 2018, with Puckett Land Company representative Chuck Whiteman. The well site and access road on your property has been reclaimed per Puckett's direction. Soil compaction on the site has been alleviated, topsoil redistributed across the site and the site has been reseeded to establish vegetation regrowth. Limited recontouring has been completed in such a manner as to permanently manage stormwater to prevent soil from leaving the site and utilize run-on to facilitate natural irrigation of the reclaimed area. The well site has not been fully recontoured to the approximate pre-existing natural ground contour, to promote revegetation, allow for use of the leveled area in grazing operations and as a camp location for hunting operations on the property.

There is no active stormwater erosion on the site. Noxious weeds have been controlled on the well site. A portion of the access road on Bureau of Land Management ("BLM") lands, that pre-dates the construction of the site, remains in a compacted and stable state, per BLM direction, to allow for access to a water tank used by grazing permit holders in the NENE of Section 24, Township 7 South, Range 97 West of the 6th P.M., Garfield County, Colorado, as shown in Exhibit "A".

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. The well site has not been recontoured to approximate pre-disturbance landform. You, as surface owner, wish to waive any COGCC requirement for recontouring to pre-disturbance landform.

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 recontouring to pre-disturbance landform 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 well site. You acknowledge that you are accepting responsibility for any future reclamation of the un-reclaimed portion of the land and, to the extent applicable, for protection of topsoil on the un-reclaimed 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



Zane Lay
Surface Lead Landman

I ACKNOWLEDGE AND AGREE as set forth above.

SURFACE OWNER

Signed:


Eric R. Stearns
President
Puckett Land Company,

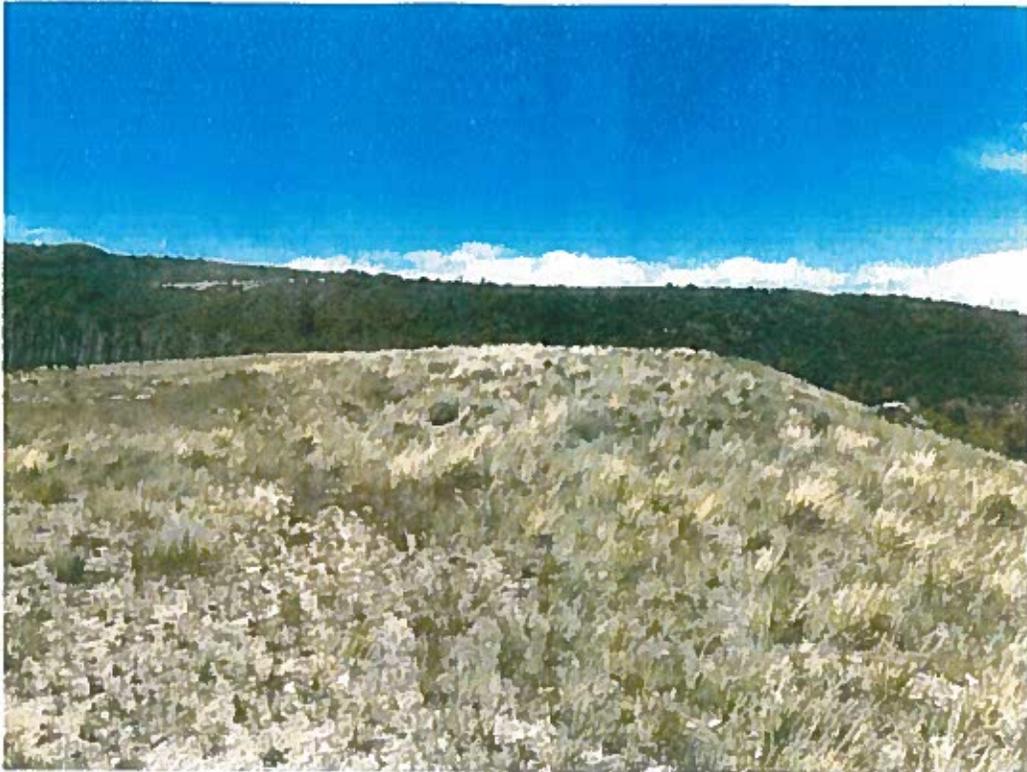
Date: 12/5/18, 2018



Legend

-  Reclaimed Disturbance (~4 80ac)
-  Unreclaimed Road (~1 80ac)
-  Water Tank
-  Garfield County Parcel 20170907
-  Township
-  Section





COGCC Landowner Reclamation Variances and Waivers Guidance Document - Operator Analysis

Location Data

Location Name:	Section 18 Pad
COGCC Location ID	335016
Legal:	T.7S. R.96W., 6th P.M. - Section 18, SWNW
Landowner:	Puckett Land Company
Waiver/Variance Request:	Final Reclamation - Access Road and Well Pad
Waiver/Variance Request from Rules:	1004.a
Disturbed Area Reclaimed	4.8 Acres
Disturbed Area to Remain	1.8 Acres

Guidance Document Criteria

All Wells on Location Plugged and Abandoned (Y/N)	N/A - Pad constructed but never drilled.
Form 6 Subsequent Submitted (Y/N)	N/A - Pad constructed but never drilled.
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:	The well site and access road have been reclaimed per Puckett's direction. Soil compaction on the site has been alleviated, topsoil redistributed across the site and the site has been reseeded to establish vegetation regrowth. Limited recontouring has been completed in such a manner as to permanently manage stormwater to prevent soil from leaving the site and utilize run-on to facilitate natural irrigation of the reclaimed area. The well site has not been fully recontoured to the approximate pre-existing natural ground contour, to promote revegetation, allow for use of the leveled area in grazing operations and as a camp location for hunting operations on the property.
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Stormwater Management Controls/Stabilization:	There is no active stormwater erosion on the access road or well pad. Slopes on the road and pad have been stabilized and stormwater flows permanently managed to prevent erosion and resulting soil loss.
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Topsoil Conservation:	Topsoil present at the time of construction was redistributed around the location.
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Nature of Location: Urban/Rural	Rural
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Proximity to Surface Water:	Riley Gulch is located approximately 2000 feet to the southeast of the location. The access road and well pad are stabilized to prevent runoff from reaching surface water.
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Wildlife Areas:	This location does not fall within a CPW RSO or SWH area.
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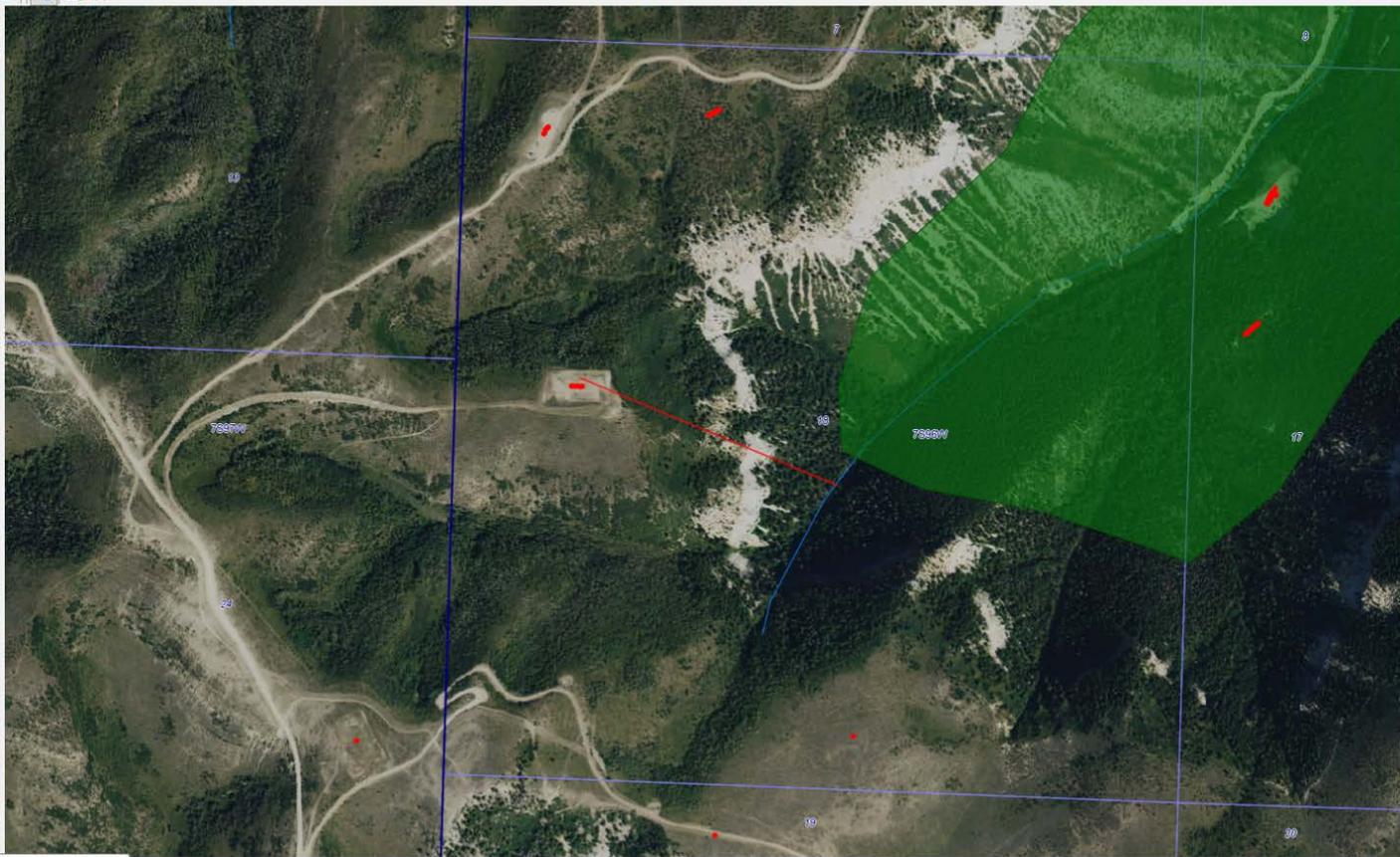
317B Area (Y/N):	This location does not fall within a 317B Area
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Sensitive Area Classification:	This location does not fall within a Classified Sensitive Area.
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Comparative benefits of re-contouring and reseeding vs. reseeding only	The well site and access road have been reclaimed per Puckett's direction. Soil compaction on the site has been alleviated, topsoil redistributed across the site and the site has been reseeded to establish vegetation regrowth. Limited recontouring has been completed in such a manner as to permanently manage stormwater to prevent soil from leaving the site and utilize run-on to facilitate natural irrigation of the reclaimed area. The well site has not been fully recontoured to the approximate pre-existing natural ground contour, to promote revegetation, allow for use of the leveled area in grazing operations and as a camp location for hunting operations on the property.
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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.
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- Layers
- Water Well
 - Designated Groundwater Management Area
 - Designated Basin
 - Planned Reservoir
 - Lake
 - River/Stream
 - Aquifer (COPHE Regulation 42)
 - 2018 Ballot Proposition 112
 - Floodplains (FEMA)
 - Environmental Sites
 - Section, Township, & Range (PLSS)
 - Local Government Designees (LGDs)
 - Parks & Wildlife (CPW)
 - Energy Liaisons
 - Districts
 - State Parks
 - State Trust Lands
 - State Wildlife Area
 - Wildlife Management Plan
 - Restricted Surface Occupancy (RSO) Area
 - Sensitive Wildlife Habitat (SWH) Area
 - Black Bear
 - Restricted Surface Occupancy (RSO) Details
 - Bald Eagle Nest
 - Bighorn Sheep
 - Columbian Strong-Tailed Grouse
 - Cutthroat Trout
 - Ferruginous Hawk
 - Golden Eagle Nest
 - Gold Medal Waters
 - Greater Sage Grouse
 - Gunnison Sage Grouse
 - Lesser Prairie Chicken
 - Northern Goshawk
 - Osprey Nest
 - Peregrine Falcon
 - Plains Strong-Tailed Grouse
 - Prairie Falcon
 - Sensitive Wildlife Habitat (SWH) Details
 - Bald Eagle Nest
 - Bald Eagle Roost
 - Black Foot Ferret
 - Bighorn Sheep
 - Columbian Sharp-Tailed Grouse
 - Elk Production
 - Elk Winter Concentration
 - Golden Eagle Nest
 - Greater Sage Grouse
 - Gunnison Sage Grouse



Measure Distance

Click a start and end point.

Measure units:

Miles

Segment:	2001.60	(Feet)
Segment:	0.38	(Miles)
Total:	2001.60	(Feet)
Total:	0.38	(Miles)

- To measure multiple distances, continue clicking new points.
- To finish, click "Stop".
- For reference, feet are always displayed above selected unit of measurement.
- You can pan or zoom and continue measuring by clicking "Resume".
- To start over, click "Clear".

Clear Stop