

**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:

07/29/2021

Submitted Date:

07/30/2021

Document Number:

696202986**FIELD INSPECTION FORM**
 Loc ID 335904 Inspector Name: Trujillo, Aaron On-Site Inspection ☐ 2A Doc Num:
Operator Information:OGCC Operator Number: 10456Name of Operator: CAERUS PICEANCE LLCAddress: 1001 17TH STREET #1600City: DENVER State: CO Zip: 80202**Status Summary:**

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

Findings:13 Number of Comments4 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
, "		COGCC.inspections@caerus oilandgas.com	All Inspections
Pesicka, Conor		conor.pesicka@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
291786	WELL	XX	01/29/2020	LO	045-14519	BJU G35 FED 11B-35-496	RI
291810	WELL	XX	01/29/2020	LO	045-14530	BJU G35 FED 11C-35-496	RI
335904	LOCATION	AC			-	NPM G35-496 Pad	RI
476649	WELL	XX	05/29/2020		045-24331	BJU G35 FED 12D-35-496	RI
476650	WELL	XX	05/29/2020		045-24332	BJU G35 FED 12A-35-496	RI
476651	WELL	XX	05/29/2020		045-24333	BJU G35 FED 15A-35-496	RI
476652	WELL	XX	05/29/2020		045-24334	BJU G35 FED 12B-35-496	RI
476653	WELL	XX	05/29/2020		045-24335	BJU G35 FED 24A-35-496	RI
476654	WELL	XX	05/29/2020		045-24336	BJU G35 FED 13B-35-496	RI
476655	WELL	XX	05/29/2020		045-24337	BJU G35 FED 15B-35-496	RI
476656	WELL	XX	05/29/2020		045-24338	BJU G35 FED 11D-35-496	RI
476657	WELL	XX	05/29/2020		045-24339	BJU G35 FED 23B-35-496	RI
476658	WELL	XX	05/29/2020		045-24340	BJU G35 FED 14C-35-496	RI
476659	WELL	XX	05/29/2020		045-24341	BJU G35 FED 25C-35-496	RI
476660	WELL	XX	05/29/2020		045-24342	BJU G35 FED 13D-35-496	RI
476661	WELL	XX	05/29/2020		045-24343	BJU G35 FED 14B-35-496	RI
476662	WELL	XX	05/29/2020		045-24344	BJU G35 FED 23C-35-496	RI
476663	WELL	XX	05/29/2020		045-24345	BJU G35 FED 14D-35-496	RI
476664	WELL	XX	05/29/2020		045-24346	BJU G35 FED 25B-35-496	RI
476665	WELL	XX	05/29/2020		045-24347	BJU G35 FED 23D-35-496	RI

476666	WELL	XX	05/29/2020		045-24348	BJU G35 FED 25A-35-496	RI
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General Comment:

On 7/29/2021, On 5/26/2021, Reclamation Specialist Trujillo conducted an interim reclamation and stormwater inspection at Caerus Piceance LLC's NPM G35-496 location in Garfield County, Colorado.

This inspection is a followup to #696202722 to document compliance with the following corrective actions:

605.g: Signs and Markers

606.a: Good Housekeeping

1002.b: Soil salvage and segregation 1002.c: Protection of soils

1002.f: Stormwater

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

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 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.

LocationOverall Good: ☐**Signs/Marker:**

Type	OTHER		
Comment:	Inspection #696202722 observed that the sign at the location entrance was not legible. Inspection required Operator to comply with Rule 605 It was observed in this inspection that the sign remains illegible, including emergency number; this corrective action has not been addressed and remains applicable. This issue is being referred to enforcement.		
Corrective Action:	Install sign to comply with Rule 605 immediately.	Date:	06/27/2021

Emergency Contact Number:

Comment:		
Corrective Action:		Date: _____

Good Housekeeping:

Type	DEBRIS		
Comment:	Inspection #696202722 observed pipe equipment stored on the north end of the Location. Inspection required Operator to comply with Rule 606.a. It was observed in this inspection that the pipe debris has been removed.		
Corrective Action:		Date:	

Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

Comment: ☐ Multiple Spills and Releases?**Venting:**

Yes/No			
Comment:			
Corrective Action:		Date:	

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Inspected Facilities				
Facility ID: <u>291786</u>	Type: <u>WELL</u>	API Number: <u>045-14519</u>	Status: <u>XX</u>	Insp. Status: <u>RI</u>
Facility ID: <u>291810</u>	Type: <u>WELL</u>	API Number: <u>045-14530</u>	Status: <u>XX</u>	Insp. Status: <u>RI</u>
Facility ID: <u>335904</u>	Type: <u>LOCATION</u>	API Number: <u>-</u>	Status: <u>AC</u>	Insp. Status: <u>RI</u>
Facility ID: <u>476649</u>	Type: <u>WELL</u>	API Number: <u>045-24331</u>	Status: <u>XX</u>	Insp. Status: <u>RI</u>
Facility ID: <u>476650</u>	Type: <u>WELL</u>	API Number: <u>045-24332</u>	Status: <u>XX</u>	Insp. Status: <u>RI</u>
Facility ID: <u>476651</u>	Type: <u>WELL</u>	API Number: <u>045-24333</u>	Status: <u>XX</u>	Insp. Status: <u>RI</u>
Facility ID: <u>476652</u>	Type: <u>WELL</u>	API Number: <u>045-24334</u>	Status: <u>XX</u>	Insp. Status: <u>RI</u>
Facility ID: <u>476653</u>	Type: <u>WELL</u>	API Number: <u>045-24335</u>	Status: <u>XX</u>	Insp. Status: <u>RI</u>
Facility ID: <u>476654</u>	Type: <u>WELL</u>	API Number: <u>045-24336</u>	Status: <u>XX</u>	Insp. Status: <u>RI</u>
Facility ID: <u>476655</u>	Type: <u>WELL</u>	API Number: <u>045-24337</u>	Status: <u>XX</u>	Insp. Status: <u>RI</u>
Facility ID: <u>476656</u>	Type: <u>WELL</u>	API Number: <u>045-24338</u>	Status: <u>XX</u>	Insp. Status: <u>RI</u>
Facility ID: <u>476657</u>	Type: <u>WELL</u>	API Number: <u>045-24339</u>	Status: <u>XX</u>	Insp. Status: <u>RI</u>
Facility ID: <u>476658</u>	Type: <u>WELL</u>	API Number: <u>045-24340</u>	Status: <u>XX</u>	Insp. Status: <u>RI</u>
Facility ID: <u>476659</u>	Type: <u>WELL</u>	API Number: <u>045-24341</u>	Status: <u>XX</u>	Insp. Status: <u>RI</u>
Facility ID: <u>476660</u>	Type: <u>WELL</u>	API Number: <u>045-24342</u>	Status: <u>XX</u>	Insp. Status: <u>RI</u>
Facility ID: <u>476661</u>	Type: <u>WELL</u>	API Number: <u>045-24343</u>	Status: <u>XX</u>	Insp. Status: <u>RI</u>
Facility ID: <u>476662</u>	Type: <u>WELL</u>	API Number: <u>045-24344</u>	Status: <u>XX</u>	Insp. Status: <u>RI</u>
Facility ID: <u>476663</u>	Type: <u>WELL</u>	API Number: <u>045-24345</u>	Status: <u>XX</u>	Insp. Status: <u>RI</u>
Facility ID: <u>476664</u>	Type: <u>WELL</u>	API Number: <u>045-24346</u>	Status: <u>XX</u>	Insp. Status: <u>RI</u>

Facility ID:	476665	Type:	WELL	API Number:	045-24347	Status:	XX	Insp. Status:	RI
Facility ID:	476666	Type:	WELL	API Number:	045-24348	Status:	XX	Insp. Status:	RI

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Reclamation - Storm Water - Pit**Interim Reclamation:**

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: OTHER, RANGELAND

Comment: _____

1002 SITE PREPARATION AND STABILIZATION

1002a. FENCING _____

Comment _____

Corrective Action _____

Date _____

1002b. SOIL REMOVAL AND _____ Fail _____

Comment _____

[See "COGCC Comments" #3 for comments regarding Protection of Soils.](#)

Corrective Action _____

[Comply with Rule 1002.b.\(2\) and 1002.c.](#)Date **06/27/2021**

1002c. PROTECTION OF SOILS _____ Fail _____

Comment _____

[See "Stormwater" and 1002.b](#)

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? _____
- 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 [See "COGCC Comments" #2, for comments regarding construction and interim reclamation of the Location.](#)

Corrective Action Comply with Rule 406.e.(4).

Date 07/08/2021

Overall Interim Reclamation Fail

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
Hydro Mulch	Fail					
Berms	Fail					Perimeter of Location; topsoil
Retention Ponds	Fail					East/West end of Location; topsoil
Waddles	Fail					

Comment: [See "COGCC Comment" #3 for comments regarding Stormwater.](#)Corrective Action: [Install or repair required BMPs per Rule 1002.f.\(2\)C. Ensure control measures are adequate for the site's conditions, implemented in accordance with good engineering practices, and maintained in proper functioning condition.](#)

Date: 05/29/2021

Pits: ☐ NO SURFACE INDICATION OF PIT

Permit:	Facility ID	Permit Num	Expiration Date
	414393	1630593	
	414393	1630593	

COGCC Comments

Comment	User	Date
<p>Comment #1: STORMWATER COMMENTS</p> <p>Inspection #696202722 observed that stormwater and erosion control measures on the Location's perimeter, and to stabilize/protect slopes of the Location were missing, or insufficient. It was observed in this inspection that the Location remains out of compliance with stormwater rules and corrective actions.</p> <p>-Control measures to protect and stabilize the cut/fill slopes of the Location remain missing or insufficient; hydromulch implemented on topsoil/soil stockpiles remains in an improper functioning condition.</p> <p>-Erosion logs along the perimeter of the Location remain in disrepair and/or not installed in accordance with good engineering practices</p> <p>-Topsoil remains in use as a berm and sediment trap/pond to manage stormwater.</p> <p>Corrective action has not been addressed and remains applicable.</p>	trujilloam	07/30/2021
<p>Comment #2: CONSTRUCTION AND RECLAMATION COMMENTS</p> <p>Inspection #696202722 observed that the construction Location has been completed for the well site, and the frac support pad on the NW end of the Location. Inspection noted that no drilling or subsequent operations were observed or ongoing; conductors have been set with 1/8/2021 as the cement date for the last conductor; pursuant to Rule 406.e.(4), if wells have not been drilled within 6 months of setting the conductors (July, 2021), conductors will require plugging and Location reclaimed in accordance with 1003 Rules. If continuous drilling operations are not planned, Operator will be required to comply with the Interim Reclamation, Delayed Operations NTO.</p> <p>It was observed in this inspection that ongoing/continuous drilling or subsequent operations have not been performed, and no "Interim Reclamation, Delayed Operations NTO" has been approved for this Location.</p>	trujilloam	07/30/2021

Comment #3: SOIL REMOVAL, SEGREGATION AND PROTECTION OF TOPSOIL

trujilloam

07/30/2021

Inspection #696202722 observed that Operator salvaged and placed topsoil along the perimeter of the Location; topsoil has been utilized at the base of the fill slopes/subsoils of the Location as a berm and sediment trap/pond to manage stormwater . Topsoil has not been properly separated and protected, is being mixed with subsoil, and is at risk for loss due to stormwater discharge displacing the topsoil.

Operator was notified in inspection that utilization of topsoil as stormwater control measures does not comport with Rule 1002.b and 1002.c; Operator was required to comply with Rule 1002.b.(2) and 1002.c.

It was observed in this inspection that the Location remains out of compliance with Rule 1002.b.(2) and 1002.c; topsoil remains in place along perimeter of the Location, and in use as a berm and sediment trap/pond to manage stormwater. Corrective action has not been addressed and remains applicable.

Attached Documents

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

Document Num	Description	URL
696202988	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5494701