

**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 <input type="checkbox"/>	2A Doc Num: _____	<b>Status Summary:</b> <input checked="" type="checkbox"/> THIS IS A FOLLOW UP INSPECTION <input checked="" type="checkbox"/> FOLLOW UP INSPECTION REQUIRED <input type="checkbox"/> NO FOLLOW UP INSPECTION REQUIRED  <b>Findings:</b> 13 Number of Comments 4 Number of Corrective Actions <input checked="" type="checkbox"/> Corrective Action Response Requested											
<b>Operator Information:</b> OGCC Operator Number: 10456 Name of Operator: CAERUS PICEANCE LLC Address: 1001 17TH STREET #1600 City: DENVER State: CO Zip: 80202				<b>ANY CORRECTIVE ACTION(S) FROM PREVIOUS INSPECTIONS THAT HAVE NOT BEEN ADDRESSED ARE STILL APPLICABLE</b>											
<b>Contact Information:</b> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th>Contact Name</th> <th>Phone</th> <th>Email</th> <th>Comment</th> </tr> <tr> <td>Pesicka, Conor</td> <td></td> <td>conor.pesicka@state.co.us</td> <td></td> </tr> <tr> <td>,</td> <td></td> <td>COGCC.inspections@caerus oilandgas.com</td> <td>All Inspections</td> </tr> </table>					Contact Name	Phone	Email	Comment	Pesicka, Conor		conor.pesicka@state.co.us		,		COGCC.inspections@caerus oilandgas.com
Contact Name	Phone	Email	Comment												
Pesicka, Conor		conor.pesicka@state.co.us													
,		COGCC.inspections@caerus oilandgas.com	All Inspections												

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.

**Location**Overall 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 SEGREGATION 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 REVEGETATION**Cropland

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
Waddles	Fail					
Retention Ponds	Fail					East/West end of Location; topsoil

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

**COGCC Comments**

Comment	User	Date
<p><b>Comment #3: SOIL REMOVAL, SEGREGATION AND PROTECTION OF TOPSOIL</b></p> <p>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.</p> <p>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.</p> <p>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.</p>	trujilloam	07/30/2021
<p><b>Comment #2: CONSTRUCTION AND RECLAMATION COMMENTS</b></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 #1: STORMWATER COMMENTS**

trujilloam

07/30/2021

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.

-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.

-Erosion logs along the perimeter of the Location remain in disrepair and/or not installed in accordance with good engineering practices

-Topsoil remains 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
402766531	INSPECTION SUBMITTED	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5494703">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5494703</a>
696202988	Inspection Photos	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5494701">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5494701</a>