

**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:

09/03/2021

Submitted Date:

09/08/2021

Document Number:

696203136

**FIELD INSPECTION FORM**

Loc ID 479214 Inspector Name: Trujillo, Aaron On-Site Inspection  2A Doc Num: \_\_\_\_\_

**Status Summary:**

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

**Operator Information:**  
OGCC Operator Number: 10456  
Name of Operator: CAERUS PICEANCE LLC  
Address: 1001 17TH STREET #1600  
City: DENVER State: CO Zip: 80202

**Findings:**

- 10 Number of Comments
- 4 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                         |
|--------------|-------|---------------------------------------|---------------------------------|
| ,            |       | dnr_cogccenforcement@state.co.us      |                                 |
| ,            |       | COGCC.inspections@caerusoilandgas.com | <a href="#">All Inspections</a> |

**Inspected Facilities:**

| Facility ID | Type     | Status | Status Date | Well Class | API Num | Facility Name                                     | Insp Status |
|-------------|----------|--------|-------------|------------|---------|---|-------------|
| 479214      | LOCATION | AC     | 01/14/2021  |            | -       | BJU N23-496 Central Delivery Point Production Pad | CI          |

**General Comment:**

On 9/3/2021, Reclamation Specialist Trujillo conducted a pre-drill stormwater and construction inspection at Caerus Piceance LLC's BJU N23-496 Central Delivery Point /Production Pad location in Garfield County, Colorado.

The following compliance issues were observed during this inspection:

- 405.b: Notice of Construction
- 605.a: O&G Location Signage
- 1002.b: Soil removal and segregation
- 1002.c: Protection of Soil
- 1002.e.(4): Surface disturbance minimization: Access roads
- 1002.f: Stormwater

Refer to the "Construction" and "Reclamation" section 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:

Emergency Contact Number:

Comment: Pursuant to Rule 605.a, signage is required at the entrance to the Location at the time of construction.

It was observed in this inspection that required signage is missing at the Location.

Corrective Action: Comply with Rule 605.a. A CA date of 8/20/2021 is being provided as this was the start date of construction, and when signage was required.

Date: 08/20/2021

Overall Good:

**Spills:**

| Type | Area | Volume |  |  |  |
|------|------|--------|--|--|--|
|      |      |        |  |  |  |

In Containment: No

Comment:

Multiple Spills and Releases?

**Venting:**

|                    |  |       |  |
|--------------------|--|-------|--|
| Yes/No             |  |       |  |
| Comment:           |  |       |  |
| Corrective Action: |  | Date: |  |

**Flaring:**

|                    |  |       |
|--------------------|--|-------|
| Type               |  |       |
| Comment:           |  |       |
| Corrective Action: |  | Date: |

**Location Construction**

Location ID: 479214 CDP: \_\_\_\_\_

Comment: On Aug. 24, 2021, Operator contacted Reclamation Specialist via email to provide notice that construction of Location no. 479214 commenced on Aug. 20th, 2021 (see attached email document). Form 42 Notice was required to be submitted no later than Aug. 18th, 2021; Operator submitted Form 42 #402790003 soon after contacting the Reclamation Specialist, and 6 days after it was required. Operator failed to submit a Form 42 Notice of Construction 2 business days in advance of commencing construction, in violation of Rule 405.b.

Corrective Action:

Date: \_\_\_\_\_

**Form 2A COAs:**

Comment:

Corrective Action:

Date: \_\_\_\_\_

**Wildlife BMPs:**

Comment:

Corrective Action:

Date: \_\_\_\_\_

**Stormwater:**

|              |         |            |         |
|--------------|---------|------------|---------|
| Erosion BMPs | Present | Other BMPs | Present |
|--------------|---------|------------|---------|

|  |     |   |
|--|-----|---|
| WADDLES  | Yes | No  |
| Comments: Erosion BMPs: <span style="border: 1px solid black; padding: 2px;">See "Comment #1" under "COGCC Comments" at end of this report.</span><br>Other BMPs: <span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>   |     |   |
| Corrective Action: <span style="color: red;">Comply with Rule 1002.f and implement perimeter stormwater and erosion control BMPs to manage runoff, and to allow for sediment laden-free discharge from the Location; ensure BMPs are installed accordance with good engineering practices, are adequate for the sites conditions, and are maintained in a proper functioning conditions. Ensure stockpiled topsoil is not incorporated with the BMPs, and remain protected.</span> |     | Date: 09/10/202<br><span style="float: right;">1</span> |

|  |    |   |
|--|----|---|
| No   | No |   |
| Comments: Erosion BMPs: <span style="border: 1px solid black; padding: 2px;">It was observed in this inspection that stormwater and erosion control BMPs to protect and stabilize the fill slopes of the Location are missing, or insufficient.</span><br>Other BMPs: <span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span> |    |   |
| Corrective Action: <span style="color: red;">Comply with Rule 1002.f.(2)</span>  |    | Date: 09/10/202<br><span style="float: right;">1</span> |

**Comment:**

**Corrective Action:**  **Date:** \_\_\_\_\_

**On Site Inspection (305):**

Surface Owner Contact Information:

Name: \_\_\_\_\_ Address: \_\_\_\_\_  
 Phone Number: \_\_\_\_\_ Cell Phone: \_\_\_\_\_

Operator Rep. Contact Information:

Landman Name: \_\_\_\_\_ Phone Number: \_\_\_\_\_  
 Date Onsite Request Received: \_\_\_\_\_ Date of Rule 306 Consultation: \_\_\_\_\_  
 Request LGD Attendance: \_\_\_\_\_

LGD Contact Information:

Name: \_\_\_\_\_ Phone Number: \_\_\_\_\_ Agreed to Attend: \_\_\_\_\_

Summary of Landowner Issues:

Summary of Operator Response to Landowner Issues:

Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:

**Inspected Facilities**

Facility ID: 479214 Type: LOCATION API Number: - Status: AC Insp. Status: CI

**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 Fail

Comment **Operator has constructed (expanded from a pre-existing 2-track) the "Proposed Secondary Access Road" that travels south from the BJU N23-496, to the BJU B26-496 Pad. Reclamation Specialist was unable to find evidence that topsoil salvage and segregation was performed at this road; intact vegetation and topsoil observed beneath fill material of road. Reclamation Specialist also observed areas of intact vegetation and topsoil beneath fill material along the west primary access road leading to the Location's entrance.**  
  
**Operator failed to properly salvage, segregate, store and protect all topsoils from the Location's entire disturbance area.**

Corrective Action \_\_\_\_\_

Date \_\_\_\_\_

1002c. PROTECTION OF SOILS Fail

Comment **It was observed in this inspection that BMPs to protect, stabilize and prevent sediment transport at the stockpiled soils on the Location are missing or insufficient. It was also observed that sections of erosion logs implemented at stockpiled soils on the east end of the Location are not in proper functioning condition per good engineering practices.**

Corrective Action **Comply with Rules 1002.c and 1002.f.**

Date **09/10/2021**

1002E. SURFACE DISTURBANCE MINIMIZATION Fail

Comment **There are currently two (2) access road leading to this Location; Operator has constructed (expanded from a pre-existing 2-track) the "Proposed Secondary Access Road" that travels south from the BJU N23-496, to the BJU B26-496 Pad, and a road on the west end of the Location, leading from the main North/South access road to the Location's entrance.**  
  
**This does not comport with Rule 1002.e.(4).**  
  
**Operator will be required to reclaim one of the access roads at time of interim reclamation, or site will remain out of compliance with Rule 1002.e.**

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 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

Corrective Action

Date \_\_\_\_\_

Overall Interim Reclamation

**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: <input style="width: 90%;" type="text"/>           |   |
| Corrective Action: <input style="width: 90%;" type="text"/> | Date: <input style="width: 50%;" type="text"/>  |
| Overall Final Reclamation <input type="checkbox"/>          | Well Release on Active Location <input type="checkbox"/> Multi-Well Location <input type="checkbox"/> |

**COGCC Comments**

| Comment  | User       | Date       |
|--|------------|------------|
| <p><b>COMMENT #1</b></p> <p>It was observed in this inspection that Operator appears to be utilizing the topsoil stockpiles along the perimeter of the Location as a part of their perimeter stormwater BMPs; Operator has been previously notified verbally, and in other FIRs that the utilization of topsoil as stormwater control measures does not comport with Rule 1002.b and 1002.c, as the use of topsoil as a stormwater BMP puts the resource at risk of compaction, contamination due to mixing with sediment/subsoil, and places the resource at risk for loss due to stormwater discharge displacing the topsoil. See the "Reclamation" section regarding 1002.c "Protection of Soil".</p> <p>Perimeter controls measures to properly manage stormwater runoff, and to allow for sediment laden-free discharge observed to be missing or insufficient at the Location.</p> | trujilloam | 09/08/2021 |

**Attached Documents**

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

| Document Num | Description                                 | URL   |
|--------------|---|---|
| 402805259    | INSPECTION SUBMITTED                        | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5526372">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5526372</a> |
| 696203137    | Email from Operator- Notice of Construction | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5526363">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5526363</a> |
| 696203139    | Inspection Photos                           | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5526364">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5526364</a> |