

**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:

05/16/2022

Submitted Date:

05/18/2022

Document Number:

696203714

**FIELD INSPECTION FORM**Loc ID 467272 Inspector Name: Trujillo, Aaron On-Site Inspection ☐ 2A Doc Num: \_\_\_\_\_**Operator Information:**

OGCC Operator Number: 10456

Name of Operator: CAERUS PICEANCE LLC

Address: 1001 17TH STREET #1600

City: DENVER State: CO Zip: 80202

**Status Summary:**

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

**Findings:**

12 Number of Comments

5 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@caerusoilandgas.com	All Inspections
Arauzo, Steven		steven.arauza@state.co.us	
Middleton, Brett		bmiddleton@caerusoilandgas.com	Sr. Environmental Specialist

**Inspected Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
467272	LOCATION	AC			-	ELU J14 FED-496 PAD	RI

**General Comment:**

On 5/16/2022, Reclamation Specialist Trujillo inspected Caerus Piceance LLC's ELU J14 FED-496 Pad Location in Rio Blanco County, Colorado.

The following compliance issues were observed during this inspection:

- Protection of soils
- Spills / Impacted materials
- Good Housekeeping
- Stormwater

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: ☐

Emergency Contact Number:

Comment:

Corrective Action:

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

**Good Housekeeping:**

Type	WEEDS		
Comment:	Germination of undesirable plant species (Salsola sp.) evident along slopes of the Location.  Maintenance advised to ensure location remains free of all Undesirable Plant Species pursuant to Rule 606.c		
Corrective Action:		Date:	
Type	DEBRIS		
Comment:	Various trash and debris (e.g. dried weed debris, tube, plastics) were observed along the perimeter of the Location, and blown off-site north of the Location.		
Corrective Action:	Comply with Rule 606; remove and properly dispose of trash and debris both on the Location, and blown off site from the Location.	Date:	05/25/2022

Overall Good: ☐**Spills:**

Type	Area	Volume		
Other				
Comment:	Inspection #696203140 observed inadequate containment at the drill cuttings, resulting in E&P waste spilling outside of containment.  It was observed in this inspection that the BMP has been maintained, however impacted material remains evident within areas of the observed spill; pursuant to 905.g.(1), Operators will manage the following drill cuttings as Oily Waste pursuant to Rule 905.e: A. Drill cuttings generated from oil-based drilling fluids; B. Drill cuttings that exceed Table 915-1 concentrations for organic compounds in soil; and C. Drill cuttings that have not been sampled and analyzed to demonstrate compliance with Table 915-1 for organic compounds in soil.  Operator does not appear to have properly cleaned the spill.			
Corrective Action:	Unless cuttings have been analyzed to demonstrate compliance with Table 915-1, cuttings are to be managed as Oily Waste per Rule 905.g.(1). Proceed under Rule 912.a(1) and (4), and comply with Rules 905.g.(1), and 912.a.  Remove and properly dispose oily waste and impacted materials per Rule 905.e.			Date: 06/02/2022
Other				
Comment:	Inspection #696203140 observed inadequate containment at the drill cuttings, resulting in E&P waste spilling outside of containment.  It was observed in this inspection that the BMP has been maintained, however impacted material remains evident within areas of the observed spill; pursuant to 905.g.(1), Operators will manage the following drill cuttings as Oily Waste pursuant to Rule 905.e: A. Drill cuttings generated from oil-based drilling fluids; B. Drill cuttings that exceed Table 915-1 concentrations for organic compounds in soil; and C. Drill cuttings that have not been sampled and analyzed to demonstrate compliance with Table 915-1 for organic compounds in soil.  Operator does not appear to have properly cleaned the spill.			

Corrective Action: Unless cuttings have been analyzed to demonstrate compliance with Table 915-1, cuttings are to be managed as Oily Waste per Rule 905.g.(1). Proceed under Rule 912.a(1) and (4), and comply with Rules 905.g.(1), and 912.a.

Date: 05/25/2022

Provide analytical summary table comparing sample results for cuttings samples to Table 915-1 along with laboratory reports via a Form 4 Sundry to EPS Arauza

In Containment: No

Comment:

☐ Multiple Spills and Releases?

#### **Venting:**

Yes/No			
Comment:			
Corrective Action:		Date:	

#### **Flaring:**

Type		
Comment:		
Corrective Action:		Date:



**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 \_\_\_\_\_ Fail \_\_\_\_\_

Comment \_\_\_\_\_

It was observed in this inspection that Operator has 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 (See "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; Utilization of topsoil as stormwater control measures does not comport with Rule 1002.b and 1002.c.

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

Comply with Rule 1002.b and 1002.c

Date 06/18/2022

1002c. PROTECTION OF SOILS \_\_\_\_\_ Fail \_\_\_\_\_

Comment \_\_\_\_\_

See "Soil removal and Segregation", and "Stormwater".

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? \_\_\_\_\_ 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 Records show that as of 3/24/2022, all permitted wells on the Location have been drilled, or plugged. Pursuant to Rule 1003.b, interim reclamation of the Location is required within 6 months, no later than 9/24/2022. A follow up inspection will be conducted to determine compliance with 1003 Rules.

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: \_\_\_\_\_

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

Overall Final Reclamation _____		Well Release on Active Location <input type="checkbox"/>		Multi-Well Location <input type="checkbox"/>		
<b>Storm Water:</b>						
Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Comment: <a href="#">See "COGCC Comments".</a> Corrective Action: <span style="color: red;">Install or repair required BMPs per Rule 1002.f. Ensure control measures are adequate for the site's conditions, implemented in accordance with good engineering practices, and maintained in proper functioning condition.</span>						Date: 05/25/2022
<b>Pits:</b> <input type="checkbox"/> NO SURFACE INDICATION OF PIT						

**COGCC Comments**

Comment	User	Date
<b>STORMWATER COMMENTS</b>  It was observed in this inspection that control measures to minimize erosion and degradation on the Location were missing or insufficient. -Control measures to minimize erosion/degradation at the slopes (cut/fill) of the Location are missing or insufficient.  -Operator has utilized topsoil at the base of the fill slopes/subsoils of the Location as a berm and sediment trap/pond to manage stormwater. Topsoil is not an appropriate material to construct stormwater control measures, and is at risk of degradation, loss and displacement due to stormwater discharge; use of topsoil as stormwater control measures does not comport with Rule 1002.b and 1002.c.. Topsoil stockpiles along perimeter predominantly bare, and unvegetated, and at risk to erosion.  - Inlet at the sediment trap/pond on the north end of the Location does not appear to be properly engineered; gully erosion/degradation becoming apparent at the inlet/control.	trujilloam	05/18/2022

**Attached Documents**

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

Document Num	Description	URL
403053536	INSPECTION SUBMITTED	<a href="http://ogccwebblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5757135">http://ogccwebblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5757135</a>
696203715	Inspection Photos	<a href="http://ogccwebblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5757124">http://ogccwebblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5757124</a>