

**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:

02/01/2023

Submitted Date:

02/02/2023

Document Number:

702801210

FIELD INSPECTION FORMLoc ID 335359 Inspector Name: O'Malley, Anna 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:**

10 Number of Comments

2 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

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
335359	LOCATION	AC			-	KELL-66S93W 35NENW	RI

General Comment:

On 2/1/2023, Reclamation Specialist O'Malley conducted an interim reclamation and stormwater inspection at Caerus Piceance LLC's KELL-66S93W/35NENW Location #335359 in Garfield County, Colorado.

The following compliance issues were observed during this inspection:

- Unused equipment (risers) associated with well API #045-07584
- Cut slope shows signs of lack of stabilization

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	BATTERY		
Comment:	Tank battery sign present.		
Corrective Action:		Date:	

Emergency Contact Number:			
Comment:			
Corrective Action:			Date: _____

Good Housekeeping:			
Type	OTHER		
Comment:	At the time of this inspection all load line bull plugs and caps are installed.		
Corrective Action:		Date:	
Type	STORAGE OF SUPL		
Comment:	Previously stored vehicles not observed.		
Corrective Action:		Date:	

Overall Good: ☐

Spills:				
Type	Area	Volume		

In Containment: No

Comment: ☐ Multiple Spills and Releases?

Equipment:			corrective date
Type: Flow Line	#		
Comment:	Two (2) risers observed at the former location of the separator and flowline for well API # 045-07584. Equipment associated with plugged and abandoned wells must be removed.		
Corrective Action:	Remove unused equipment.		Date: 03/04/2023

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: _____

Comment: _____

1002 SITE PREPARATION AND STABILIZATION

1002a. FENCING _____

Comment _____

Corrective Action _____

Date _____

1002b. SOIL REMOVAL AND _____

Comment _____

Corrective Action _____

Date _____

1002c. PROTECTION OF SOILS _____

Comment _____

Corrective Action _____

Date _____

1002E. SURFACE DISTURBANCE MINIMIZATION _____

Comment _____

Corrective Action _____

Date _____

1003a. Waste and Debris removed? Pass

Comment _____

Corrective Action _____

Date _____

Unused or unneeded equipment onsite? Pass

Comment _____

Corrective Action _____

Date _____

Pit, cellars, rat holes and other bores closed? Pass

Comment _____

Corrective Action _____

Date _____

Guy line anchors marked? _____

Comment No anchors or anchor markers observed. Location is snow covered.

Corrective Action _____

Date _____

1003b. Area no longer in use? Pass 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? In

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 Pass 80% Revegetation In

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? P

Comment

Areas of the location not needed for production, or no longer in use have been reduced and reclaimed. No noxious weed concerns were observed at the time of this inspection. Small, young perennial grasses are present. However, many are pedestaled with exposed roots or uprooted completely due to erosion and/or grazing. Horses are present in interim areas at the time of this inspection and appear to be causing degradation to interim areas. A follow up inspection will be conducted during a future growing season to determine compliance with 1003 requirements.

Current vegetative cover is insufficient to stabilize the cut slope at the north of the location. Refer to the "Stormwater" section of this report.

Corrective Action

Date _____

Overall Interim Reclamation In Process**Final Reclamation/ Abandoned Location:**

Date Final Reclamation Started: _____ Date Final Reclamation Completed: _____

Final Land Use: _____

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

Comment: Refer to the "COGCC Comments" section of this inspection report for "STORMWATER COMMENTS".

Corrective Action: Install or repair required BMPs per Rule 1002.f. Continue to monitor and manage stormwater on the Location. Ongoing stormwater management is required until the site receives a passing final inspection.

Date: 02/04/2023

Pits: ☒ NO SURFACE INDICATION OF PIT**COGCC Comments**

Comment	User	Date
STORMWATER COMMENTS - It was observed in this inspection that stormwater and erosion control measures to protect and stabilize the location are missing or insufficient. The cut slope at the north of the location is showing signs of degradation; rill erosion is occurring. Stabilizing vegetation on the slope is pedestaled, with exposed roots, or uprooted completely. Widespread hoof impact from horses present at the time of the inspection is causing disturbance to soils and destabilizing the slope. No other BMPs to stabilize the slope in conjunction with struggling vegetation were observed. - Inspection #692401081 dated 5/31/19 observed issues with site stabilization, particularly on the cut slope. Struggling vegetation and hoof impact to soils was also noted. Subsequent inspections noted the issue had been rectified, erosion concerns had been addressed and the site was stable. Site degradation from horses and cut slope erosion appears to be an ongoing issue. - At the time of this inspection the location and access road are snow covered; unable to perform full stormwater inspection or to inspect stormwater BMPs installed on site.	omalleya	02/02/2023

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

Document Num	Description	URL
403311123	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6007766
702801211	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6007764