

**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:

04/17/2023

Submitted Date:

04/20/2023

Document Number:

702801483**FIELD INSPECTION FORM**Loc ID 334572 Inspector Name: O'Malley, Anna 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:**12 Number of Comments2 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 |
| Ramsey, Scott | | scott.ramsey@state.co.us | |
| Smelser, Wayne | | wayne.smelser@state.co.us | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|----------|--------|-------------|------------|-----------|------------------------------|-------------|
| 211485 | WELL | PR | 10/16/2003 | GW | 045-07245 | SAVAGE 1-34 | RI |
| 276681 | WELL | PR | 02/01/2013 | GW | 045-10511 | SAVAGE FEDERAL 1-9A (RI1) | RI |
| 276682 | WELL | SI | 07/01/2022 | GW | 045-10510 | SAVAGE FEDERAL 1-9D (RI1) | RI |
| 334572 | LOCATION | AC | | | - | SAVAGE-67S94W 1NESE | RI |

General Comment:

On 4/17/2023, Reclamation Specialist O'Malley conducted an interim reclamation and stormwater inspection at Caerus Piceance LLC's SAVAGE-67S94W/1NESE Location #334572 in Garfield County, Colorado.

The following compliance issues were observed during this inspection:

- Noxious weeds
- Stormwater: lack of stabilization of working pad and access

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 addressed.

LocationOverall Good: ☐

| | | | |
|----------------------|---|-------|--|
| Signs/Marker: | | | |
| Type | BATTERY | | |
| Comment: | Battery sign present, complies with Rule 605.e. | | |
| Corrective Action: | | Date: | |

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

| | | | |
|---------------------------|---|-------|------------|
| Good Housekeeping: | | | |
| Type | DEBRIS | | |
| Comment: | Debris/stored equipment not observed. | | |
| Corrective Action: | | Date: | |
| Type | WEEDS | | |
| Comment: | Spotted knapweed (List B Noxious) observed at the southeast of the location, directly to the south of the perimeter fence, but within the location disturbance area. Weed management is required in the 2023 growing season. Ongoing weed management is required. | | |
| Corrective Action: | Conduct weed management to prevent further establishment and spread of noxious weeds; ongoing weed management required until location passes final reclamation. | Date: | 05/01/2023 |
| Type | OTHER | | |
| Comment: | Caps installed on corrugated piping to prevent wildlife entry. | | |
| Corrective Action: | | Date: | |
| Type | OTHER | | |
| Comment: | Bull plugs/caps installed on tank drain lines at the time of this inspection. | | |
| Corrective Action: | | Date: | |

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: |

Inspected Facilities

| | | | | |
|----------------------------|-----------------------|------------------------------|-------------------|-------------------------|
| Facility ID: <u>211485</u> | Type: <u>WELL</u> | API Number: <u>045-07245</u> | Status: <u>PR</u> | Insp. Status: <u>RI</u> |
| Facility ID: <u>276681</u> | Type: <u>WELL</u> | API Number: <u>045-10511</u> | Status: <u>PR</u> | Insp. Status: <u>RI</u> |
| Facility ID: <u>276682</u> | Type: <u>WELL</u> | API Number: <u>045-10510</u> | Status: <u>SI</u> | Insp. Status: <u>RI</u> |
| Facility ID: <u>334572</u> | Type: <u>LOCATION</u> | API Number: <u>-</u> | Status: <u>AC</u> | Insp. Status: <u>RI</u> |

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
SEGREGATION _____

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? Pass

Comment _____

Corrective Action _____

Date _____

| | |
|---|---|
| 1003b. Area no longer in use? <u>Pass</u> | Production areas stabilized ? <u>Fail</u> |
| 1003c. Compacted areas have been cross ripped? _____ | |
| 1003d. Drilling pit closed? _____ Cuttings management: _____ | Subsidence over on drill pit? _____ |
| 1003e. Areas no longer needed for drilling or subsequent operations for have been re-vegetated to 80% of pre-existing? <u>In</u> Production areas have been stabilized? <u>Fail</u> Segregated soils have been replaced? _____ | |
| RESTORATION AND REVEGETATION | |
| <u>Cropland</u> | |
| Top soil replaced _____ | Recontoured _____ Perennial forage re-established _____ |
| <u>Non-Cropland</u> | |
| Top soil replaced _____ | Recontoured <u>Pass</u> 80% Revegetation <u>In</u> |
| 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? <u>F</u> | |
| Comment | Refer to the "Location" section for weed control corrective action. Areas of the location not needed for production have been reduced and reclaimed. Interim areas appear vegetated with introduced perennial grasses (smooth brome) as well as native shrubs (rubber rabbitbrush, four-wing saltbush). Full vegetation assessment was not possible due to dormant season. A follow up inspection will be conducted during a future growing season to determine compliance with 1003 requirements. |
| 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: <div style="border: 1px solid black; height: 20px;"></div> | |
| 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"/> | | |

Storm Water:

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|-------------------------------|
| Sediment Traps | | | | | | |
| Berms | | | | | | |
| Compaction | Fail | Compaction | | | | Pad & road unstabilized: ruts |
| Ditches | | | | | | |
| Seeding | | | | | | |
| Gravel | | Gravel | | | | Pad & road unstabilized: ruts |

| | | | | | | |
|--------------------|--|--|--|--|--|------------------|
| Comment: | The Location and access road (directly to the north of the pad entrance) shows signs of lack of stabilization BMPs in some areas, as is evidenced by the presence of ruts. Tracking control BMPs to minimize/mitigate tracking and offsite sediment transport are missing or insufficient. | | | | | |
| Corrective Action: | Install or repair required BMPs per Rule 1002.f. Continue to monitor and manage stormwater on the Location. | | | | | Date: 04/23/2023 |

Pits: ☒ NO SURFACE INDICATION OF PIT

COGCC Comments

| Comment | User | Date |
|--|----------|------------|
| Compliance Specialist included for notification purposes. Corrective action(s) from inspection #707800006 have been addressed. | omalleya | 04/20/2023 |

Attached Documents

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

| Document Num | Description | URL |
|--------------|-------------------|---|
| 702801484 | Inspection Photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6088417 |