

**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:

09/06/2023

Submitted Date:

09/08/2023

Document Number:

696205228

FIELD INSPECTION FORMLoc ID 336019 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:

15 Number of Comments

3 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
294551	WELL	DG	04/30/2023	GW	103-11199	FREEDOM UNIT 297-8B6	RI
294552	WELL	DG	05/08/2023	GW	103-11198	FREEDOM UNIT 297-8B1	RI
294553	WELL	DG	05/14/2013	GW	103-11197	FREEDOM UNIT 297-8B2	RI
294554	WELL	DG	05/22/2023	GW	103-11196	FREEDOM UNIT 297-8B3	RI
294555	WELL	DG	06/02/2023	GW	103-11195	FREEDOM UNIT 297-8B4	RI
294556	WELL	DG	06/09/2023	GW	103-11194	FREEDOM UNIT 297-8B5	RI
294557	WELL	DG	04/06/2023	GW	103-11193	FREEDOM UNIT 297-8B8	RI
294569	WELL	DG	03/29/2023	GW	103-11192	FREEDOM UNIT 297-8B9	RI
294570	WELL	DG	03/18/2023	GW	103-11191	FREEDOM UNIT 297-8B10	RI
294572	WELL	DG	04/14/2023	GW	103-11190	FREEDOM UNIT 297-8B7	RI
336019	LOCATION	AC			-	FREEDOM UNIT-62S97W 8SEnw	RI

General Comment:

On 9/6/2023, Reclamation Specialist Trujillo inspected Caerus Piceance LLC's Freedom Unit-62S97W 8SENW Location in Rio Blanco County, Colorado.

The following compliance issues were observed during this inspection:

- Good Housekeeping
- Stained soils
- General Safety Requirements / Stormwater

Facility Installation were observed in process at time of inspection.

Refer to the "Location", and "Reclamation" 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; The "Date of Discovery" is being provided as the corrective action date for all new observed compliance issues. Location will remain out of compliance until corrective action(s) has(have) been resolved and a follow up inspection will be conducted to ensure the compliance issues have been corrected to comply with ECMC rules.

LocationOverall Good: ☐

Signs/Marker:			
Type	WELLHEAD		
Comment:	Signage required within 60 days.		
Corrective Action:		Date:	
Type	BATTERY		
Comment:	Battery facility installation "in process" at time of inspection. Signage required within 60 days of installation.		
Corrective Action:		Date:	
Type	OTHER		
Comment:	Location		
Corrective Action:		Date:	
Type	TANK LABELS/PLACARDS		
Comment:	Battery facility installation "in process" at time of inspection. Signage/Labels on tanks required upon completion of installation.		
Corrective Action:		Date:	

Emergency Contact Number:

Comment: 970-285-2615

Corrective Action:

Date: _____

Good Housekeeping:

Type	DEBRIS		
Comment:	Various trash and debris observed throughout the Location, including the topsoil stockpile. Appropriate containers to contain/store trash, debris or rubbish until removal not observed on site.		
Corrective Action:	Comply with 606 rules.	Date:	09/06/2023

Overall Good: ☐

Spills:			
Type	Area	Volume	
Comment:	Various stained soils observed throughout the Location. Stained soils observed stockpiled on the north end of the Location; BMPs to prevent migration of materials have not been installed and the stockpile; liner to prevent further spread/contamination to working pad surface not observed. Soils require removal and proper disposal.		
Corrective Action:	Clean/remediation stained soils to table 915-1 standards. Immediately implement BMPs at the stockpile to prevent migration of materials due to either wind or water erosion, until impacted material is removed and properly disposed.		Date: 09/06/2023

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>294551</u>	Type: <u>WELL</u>	API Number: <u>103-11199</u>	Status: <u>DG</u>	Insp. Status: <u>RI</u>
Facility ID: <u>294552</u>	Type: <u>WELL</u>	API Number: <u>103-11198</u>	Status: <u>DG</u>	Insp. Status: <u>RI</u>
Facility ID: <u>294553</u>	Type: <u>WELL</u>	API Number: <u>103-11197</u>	Status: <u>DG</u>	Insp. Status: <u>RI</u>
Facility ID: <u>294554</u>	Type: <u>WELL</u>	API Number: <u>103-11196</u>	Status: <u>DG</u>	Insp. Status: <u>RI</u>
Facility ID: <u>294555</u>	Type: <u>WELL</u>	API Number: <u>103-11195</u>	Status: <u>DG</u>	Insp. Status: <u>RI</u>
Facility ID: <u>294556</u>	Type: <u>WELL</u>	API Number: <u>103-11194</u>	Status: <u>DG</u>	Insp. Status: <u>RI</u>
Facility ID: <u>294557</u>	Type: <u>WELL</u>	API Number: <u>103-11193</u>	Status: <u>DG</u>	Insp. Status: <u>RI</u>
Facility ID: <u>294569</u>	Type: <u>WELL</u>	API Number: <u>103-11192</u>	Status: <u>DG</u>	Insp. Status: <u>RI</u>
Facility ID: <u>294570</u>	Type: <u>WELL</u>	API Number: <u>103-11191</u>	Status: <u>DG</u>	Insp. Status: <u>RI</u>
Facility ID: <u>294572</u>	Type: <u>WELL</u>	API Number: <u>103-11190</u>	Status: <u>DG</u>	Insp. Status: <u>RI</u>
Facility ID: <u>336019</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? _____

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 REVEGETATIONCropland

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 Form 5 records show wells have been drilled and the Rig released 6/19/2023. Pursuant to Rule 1003.b, interim reclamation required 12/2023.

Corrective Action Date _____

Overall Interim Reclamation

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
				Material Handling And Spill Prevention		2 Portajohns, west end of Location
				Material Handling And Spill Prevention		Portajohn- Location entrance
Waddles						Perimeter of Location. Topsoil stockpile
				Material Handling And Spill Prevention	Fail	Portajohn- east end of Location.

Comment: Sanitary facility (porta-john) stored on trailer on the east end of the Location has not been secured- BMPs to prevent a spill, or contain a spill if one were to occur are missing or insufficient.

Corrective Action: **Comply with Rules 602.m and 1002.f.(2)B.**

Date: 09/06/2023

Pits: ☐ NO SURFACE INDICATION OF PIT

Permit:	Facility ID	Permit Num	Expiration Date
	294702	1433809	
	294702	1433809	

Attached Documents

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

Document Num	Description	URL
696205229	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6245789