

**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:

12/27/2023

Submitted Date:

12/29/2023

Document Number:

696205494**FIELD INSPECTION FORM**Loc ID 335000 Inspector Name: Trujillo, Aaron 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 Comments1 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
269185	WELL	PA	09/23/2021	GW	045-09327	HILL 9-15A (J9E)	RI
335000	LOCATION	AC			-	HILL-67S92W 9NWSE	RI

General Comment:

On 12/27/2023, Reclamation Specialist Trujillo conducted an interim reclamation and stormwater inspection at Caerus Piceance LLC's HILL-67S92W9NWSE location in Garfield County, Colorado.

The following compliance issues were observed during this inspection:
-P&A

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.

Corrective Action date(s) provided will either be back-dated to when Operator should have been in compliance, or when Operator was initially observed to be out of compliance; 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; 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	OTHER		
Comment:	Location		
Corrective Action:		Date:	
Type	TANK LABELS/PLACARDS		
Comment:			
Corrective Action:		Date:	
Type	BATTERY		
Comment:			
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:			
Corrective Action:		Date:	

Emergency Contact Number:

Comment: 970-285-2615 / 911

Corrective Action:

Date: _____

Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

Comment:

☐ Multiple Spills and Releases?**Fencing/:**

Type	WELLHEAD		
Comment:	Livestock panels. See "Final Reclamation".		
Corrective Action:		Date:	
Type	SEPARATOR		
Comment:	Livestock panels		
Corrective Action:		Date:	
Type	TANK BATTERY		
Comment:	Livestock panels		
Corrective Action:		Date:	

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS	
OTHER	1	300 BBLS	STEEL AST		,	
Comment:	Sour.					
Corrective Action:						Date:

Paint

Condition					
Other (Content)	Produced water / condensate				
Other (Capacity)					
Other (Type)					

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Metal	Adequate	Walls Sufficent	Base Sufficient	Adequate	
Comment:	Containment measure appeared to be in proper functioning condition at time of inspection.				
Corrective Action:				Date:	

Venting:

Yes/No			
Comment:			
Corrective Action:		Date:	

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Inspected Facilities									
Facility ID:	<u>269185</u>	Type:	<u>WELL</u>	API Number:	<u>045-09327</u>	Status:	<u>PA</u>	Insp. Status:	<u>RI</u>
Facility ID:	<u>335000</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 Limited visibility due to snow cover. Desirable perennial vegetation was not apparent; vegetation that was evident were Undesirable and Weedy Plant Species such as Kochia.

The overall status of the interim reclamation is "in process", however, based on aerial imagery available, it does not appear that the southern and interim areas of the Location would meet ECMC 1003 standards.

A follow-up inspection will be conducted in the future growing season to determine compliance with reclamation rules.

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 Fail _____

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: Form 6(s) #402849747 states well API 045-045-09327 was P&Ad 9/23/2021.

Form 27(s) #402854372 for decommissioning of the O&G facility was approved with NFA on 11/29/2021.

It was observed in this inspection that the that the excavation at the P&Ad well has not been backfilled. Additionally, the livestock panels at the wells have not been adequately secured/closed to prevent wildlife access to the wells and excavation area.

Corrective Action: Maintain fencing to prevent unauthorized access by people, livestock or wildlife.

Date 12/27/2023

Comply with Rule 1004.a

Overall Final Reclamation Fail

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: Limited inspection due to snow cover. No immediate stormwater issues were observed at time of inspection.

Corrective Action:

Date: _____

Pits: ☐ NO SURFACE INDICATION OF PIT**Attached Documents**You can go to COGCC Images (<https://cogcc.state.co.us/webblink/>) and search by document number:

Document Num	Description	URL
403640456	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6376641
696205495	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6376619