

**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:

03/25/2025

Submitted Date:

03/28/2025

Document Number:

718100390

**FIELD INSPECTION FORM**Loc ID 485795 Inspector Name: Trujillo, Aaron On-Site Inspection ☐ 2A Doc Num: \_\_\_\_\_**Operator Information:**

ECMC 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:**

26 Number of Comments

10 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
,		ecmc.inspections@qb-energy.com	
Roberts, James		j75rober@blm.gov	<a href="#">Rio Blanco, Moffat</a>
Noto, John		john.noto@state.co.us	

**Inspected Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
485124	LOCATION	AC			-	PCU FED B27-197	RI
485795	LOCATION	AC			-	PCU FED B27-197	RI
486801	WELL	AL	02/03/2025		103-12682	RNPU B27 FED 14A-22-197	RI
486804	WELL	AL	02/03/2025		103-12685	RNPU B27 FED 13D-22-197	RI
486807	WELL	AL	02/03/2025		103-12688	RNPU B27 FED 14B-22-197	RI
486816	WELL	AL	02/03/2025		103-12697	RNPU B27 FED 24C-22-197	RI

**General Comment:**

On 3/25/2025, Western Reclamation Work Lead Trujillo conducted a pre-drill construction and stormwater inspection at Caerus Piceance LLC's PCU FED/B27-197 location in Rio Blanco County, Colorado.

Location is Fed Surface / Fed Minerals

Location is within the following High Priority Habitats: Elk Winter Concentration Area; Mule Deer Severe Winter Range; Mule Dee Winter Concentration Area

The following compliance issues were observed in this inspection:

- Signage Posting Requirements
- Permit Posting Requirements
- Location Disturbance exceeds the Form 2A permitted Location disturbance area
- Cellar Covering Requirements
- Form 2A COA Requirements
- Stormwater
- Topsoil Protections
- Good Housekeeping
- Conductor Plugging Requirements

Refer to the Location, Location Construction and Reclamation sections of this inspection report for additional details.

Refer to the photo-documentation attached to this report.

Any corrective action(s) from previous inspection that have not been addressed are still applicable.

**Location**Overall Good: ☐**Signs/Marker:**

Type	OTHER		
Comment:	For new Oil and Gas Locations, from the time of construction until Reclamation is complete, the Operator will post a sign at the entrance to an Oil and Gas Location that includes the: (1) Oil and Gas Location name; (2) Commission's assigned Oil and Gas Location identification number (ID #); (3) The Operator's telephone number where it may be reached at all times; and (4) Telephone number(s) for local emergency services (911 where available).  Signage at the Location entrance has not been posted pursuant to Rule 605.a.		
Corrective Action:	Comply with Rule 406.c.  Signage was required to be posted at time of construction; pursuant to Form 42 #403811000, construction commenced 6/5/2024. Therefore, the date of construction is being posted as the CA date.	Date:	06/05/2024
Type	OTHER		
Comment:	A copy of the approved Form 2A, and any Form 4 modifying the approved Form 2A has not been posted in a protected and conspicuous place on Location pursuant to Rule 406.c		
Corrective Action:	Comply with Rule 406.c.  Permit was required to be posted upon commencement of operations; pursuant to Form 42 #403811000, construction commenced 6/5/2024. Therefore, the date of construction is being posted as the CA date.	Date:	06/05/2024
Type	OTHER		
Comment:	Signage posted at the intersection of the lease road and public road pursuant to Rule 406.b		
Corrective Action:		Date:	

**Emergency Contact Number:**

Comment: 970-285-2615 / 911 Access road intersection.

Corrective Action:

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

**Good Housekeeping:**

Type			
Comment:	Unused erosion log and staking materials observed at the Location entrance; unused stakes also observed stored next to the stockpile on the southwest end of the Location. Unused pallet observed stored on the cut slopes on the south end of the Location.  Metal equipment (possibly metal sign posts?) observed stored off of the working pad surface, on the western fill slopes of the Location		
Corrective Action:	Remove unused materials/trash/debris pursuant to 606 Requirements.  Remove equipment stored on the fill slopes of the location and ensure that the storage of all equipment, materials and all other supplies necessary for use on the Location is restricted to the Working Pad Surface of the Location.	Date:	04/04/2025

Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

Comment: ☐ Multiple Spills and Releases?**Equipment:**

Type: Other	#		corrective date
Comment:	22 cellars/conductors have been drilled on the Location. Conductors have been covered with a welded plate pursuant to 406.e.(3)A. Cellars have not been covered pursuant to Rule 406.e.(3)B		
Corrective Action:	Comply with Rule 406.e.(3)B		Date: 04/04/2025

**Venting:**

Yes/No			
Comment:			
Corrective Action:			Date:

**Flaring:**

Type			
Comment:			
Corrective Action:			Date:

**Location Construction**

Location ID: 485795

CDP: 

Comment: Pursuant to Location Permit Form 2A #403206163, the size of the disturbance area during construction is 7.35 acres. With use of a sUAS, the disturbance area for the Location was measured to be 7.52 acres; this Location exceeds the approved permitted disturbance area.

Corrective Action: Date: **Form 2A COAs:****Comment:** Corrective Action: Date: **Wildlife BMPs:****Comment:** Corrective Action: Date: **Stormwater:**

Erosion BMPs

Present

Other BMPs

Present

	No		
Comments:	Erosion BMPs:	Soils at the pipeline corridor disturbance leading west of the Location are bare. BMPs to stabilize, as well as to minimize erosion and degradation are missing or insufficient.	
	Other BMPs:	<p>Erosion logs (straw wattles) have been implemented along the outer edges of the disturbed areas to minimize sediment transport. However sections of erosion logs were observed to have not been installed per good engineering practices; gaps evident beneath sections of erosion logs; sections not properly trenched or backfilled.</p> <p>Erosion logs alone are inadequate to minimize erosion, degradation and sediment transport along the pipeline disturbance.</p>	
Corrective Action:		Comply with Rule 1002.f- Install or repair BMPs in accordance with good engineering practices to minimize erosion, degradation and sediment transport along the pipeline corridor	Date: 04/04/2025 5
	Yes		No
Comments:	Erosion BMPs:	<p>ACCESS ROAD- Culverts</p> <p>Several culverts / sediment traps have been constructed along the access road leading to the Location; Armoring observed to be insufficient at several culverts. Inlets/outlets at the sediment traps have not been installed per good engineering practices, including rip-rap material in conjunction with geotextile lining; degradation evident.</p>	
	Other BMPs:	Weed debris accumulation was also observed within multiple sediment trap/culvert inlets.	
Corrective Action:		Comply with Rule 1002.f- Install or repair BMPs in accordance with good engineering practices to minimize erosion, degradation and sediment transport at the culverts and associated sediment traps.	Date: 04/04/2025 5
Comply with 606 Rules- Remove and dispose weed debris within BMPs			
	Yes		
Comments:	Erosion BMPs:	<p>ACCESS ROAD- Slopes.</p> <p>Hydromulch in conjunction with erosion logs and/or surface roughening have been implemented at the cut and fill slopes of the access road. BMPs appeared to be in proper functioning condition at time of inspection, however, areas of hydromulch are beginning to degrade. Maintenance advised.</p>	
	Other BMPs:		
Corrective Action:		Date:	
BERMS	Yes		
Comments:	Erosion BMPs:	Perimeter of the working pad surface	
	Other BMPs:	Toe of the fill slopes on the northwest and northeast end of the Location.	
Corrective Action:		Date:	
	Yes		
Comments:	Erosion BMPs:	Hydromulch applied to the soil stockpiles on Location; see 1002.c "Protection of Soils".	
	Other BMPs:		
Corrective Action:		Date:	

DITCHES	Yes		No	
Comments: Erosion BMPs: <span style="color: red;">Diversion ditches along access road.</span>				
Other BMPs: <span style="color: red;">Velocity Checks/Controls not observed at ditches along access road.</span>				
Corrective Action: _____			Date: _____	
RETENTION PONDS	Yes			
Comments: Erosion BMPs: <span style="color: red;">"Sediment Control Basins" have been constructed on the Northeast, Northwest and Southwest ends of the Location.</span>				
<span style="color: red;">Outlets of the BMPs have not been installed per good engineering practice- Outlets at the NW/SW SCB are inadequate in size; the slopes at the outlet are only partially armored; soils below the rip-rap/outlet are loose, unconsolidated soils.</span>				
Other BMPs: <span style="color: red;">The outlets at all three SCBs have also not been constructed with geotextile lining in conjunction with the Rip-rap material per good engineering practice.</span>				
Corrective Action: <span style="color: red;">Comply with Rule 1002.f- Install or repair BMPs in accordance with good engineering practices at the "Sediment Control Basins" (Sediment traps)</span>			Date: 04/04/2025	
	Yes			
Comments: Erosion BMPs: <span style="color: red;">Retaining walls installed at each SCB.</span>				
Other BMPs: _____				
Corrective Action: _____			Date: _____	
	No			
Comments: Erosion BMPs: <span style="color: red;">Cut and fill slopes of the location composed of fine soils and rock aggregate. BMPs to stabilize, as well as to minimize erosion and degradation at the cut and fill slopes are missing or insufficient.</span>				
Other BMPs: _____				
Corrective Action: <span style="color: red;">Comply with Rule 1002.f- Install or repair BMPs in accordance with good engineering practices to minimize erosion and degradation at the cut and fill slopes.</span>			Date: 04/04/2025	
WADDLES	Yes			
Comments: Erosion BMPs: <span style="color: red;">Erosion logs installed along the perimeters of the Location and soil stockpiles; see 1002.c "Protection of Soils".</span>				
Other BMPs: _____				
Corrective Action: _____			Date: _____	

Comment:Corrective Action:Date:**On Site Inspection (305):**Surface Owner Contact Information:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Cell Phone: \_\_\_\_\_

Operator Rep. Contact Information:

Landman Name: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Date Onsite Request Received: \_\_\_\_\_

Date of Rule 306 Consultation: \_\_\_\_\_

Inspector Name: Trujillo, Aaron

Request LGD Attendance: _____	
<u>LGD Contact Information:</u>	
Name: _____	Phone Number: _____ Agreed to Attend: _____
<u>Summary of Landowner Issues:</u>	
<div></div>	
<u>Summary of Operator Response to Landowner Issues:</u>	
<div></div>	
<u>Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:</u>	
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**Inspected Facilities**

Facility ID:	485124	Type:	LOCATION	API Number:	-	Status:	AC	Insp. Status:	RI
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The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

Facility ID:	485795	Type:	LOCATION	API Number:	-	Status:	AC	Insp. Status:	RI
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The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

Facility ID:	486801	Type:	WELL	API Number:	103-12682	Status:	AL	Insp. Status:	RI
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The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

Facility ID:	486804	Type:	WELL	API Number:	103-12685	Status:	AL	Insp. Status:	RI
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The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

Facility ID:	486807	Type:	WELL	API Number:	103-12688	Status:	AL	Insp. Status:	RI
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The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

Facility ID:	486816	Type:	WELL	API Number:	103-12697	Status:	AL	Insp. Status:	RI
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The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12



**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 SEGREGATION \_\_\_\_\_

Comment

With use of a sUAS, it was measured that Operator salvaged approximately 5,922.75 cubic yards of topsoil; Operator has salvaged to an average depth of 7.34 inches over the 6 acre area of the Location subject to 1002.b requirements; or 6.12 inches taking a 20% swell factor into consideration.

Topsoil is currently stockpiled within areas identified with the Construction Layout Drawing.

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

Date \_\_\_\_\_

1002c. PROTECTION OF SOILS \_\_\_\_\_ In Process \_\_\_\_\_

Comment

Hydromulch applied to the south facing slopes of the southern topsoil stockpile show signs of disrepair, though plant germination was observed- monitoring/maintenance advised.

Erosion log previously placed along the western perimeter of the southern stockpile appears to have been removed; perimeter controls missing from these areas of the stockpile.

Hydromulch applied to the east facing slopes of the eastern topsoil stockpile has either not been installed per good engineering practice, or maintained in proper functioning condition; soils at stockpile are bare and lack stabilization; germination within these areas not apparent.

It was also observed that erosion logs along sections of the eastern stockpile are also in disrepair.

Corrective Action

Comply with Rules 1002.c and 1002.f- Install or repair BMPs to protect stockpiled soils from wind and water erosion.

Date **04/04/2025**

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

Operator received a variance to Rule 406.e.(4) to extend the time to commence drilling operations following the setting of conductors for the well pad to 12 months. Operator received a variance to Rule 1003.b to extend the timeline to conduct interim reclamation to 30 months after setting the last conductor for the wells on the Pad.

Records show conductors were set 8/2024. Commencement of drilling operations for conductors/wells required by 8/2025; Interim Reclamation of the Location required by March 2027.

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: [See "AL Wells, Conductors" under "COGCC Comments" at the end of this report.](#)Corrective Action: [Comply with Rule 406.e.\(4\)](#)Date **04/28/2025**

Overall Final Reclamation \_\_\_\_\_

Well Release on Active Location ☐Multi-Well Location ☐**ECMC Comments**

Comment	User	Date
Well 05-103-12893 and 103-12891 share the same Lat / Long, and are currently "stacked" on COGIS. Conductors for each well with an active permit on the Location have been drilled and set.	trujilloam	03/28/2025
Existing coordinate issues will need to be resolved during completion, when the Form 5, Final Drilling Completion report is submitted pursuant to Rule 404.b.(2)F		
<b>AL WELLS AND CONDUCTORS</b>	trujilloam	03/28/2025
Of the 22 wells that have been permitted on the Location, Operator has abandoned Four (4) Form 2 Permits to Drill, for the following wells:		
103-12682- Conductor Set 8/19/2024; Well permit abandoned via Form 4 #404079017.		
103-12685- Conductor Set 8/19/2024; Well permit abandoned via Form 4 #404078922.		
103-12688- Conductor Set 8/20/2024; Well permit abandoned via Form 4 #404079056.		
103-12697- Conductor Set 8/12/2024; Well permit abandoned via Form 4 #404079056.		
It was observed in this inspection that 22 conductors/cellars remain on the Location. However, only 18 approved Form 2, Application for Permit to Drill, remain "Active".		
Operator received a variance to Rule 406.e.(4), to extend the time to commence drilling operations following the setting of conductors for the well pad to 12 months. Since wells have been abandoned and will not be drilled, variance to Rule 406.e.(4) does not apply; the Conductors/Cellars associated with the "AL" wells on the Location require plugging and removal.		
Two Location IDs currently exist for this site:	trujilloam	03/28/2025
Pursuant to Order No. 1-328, Operator was granted a variance from Rules 303, 304, 306 and 307 to allow construction of the Access Road to the Location, prior to receiving an approved OGDG and Form 2A, Oil and Gas Location Assessment permit.		
Location ID No. 485124 was created in order to have a facility ID form Form submission prior to approval of the 2A.		
Operator received approval of OGDG #485279 and Form 2A #403206163. However, Operator did not amend the Existing Location ID on the Form 2A, resulting in a second Location ID (#485795) being created at this site.		
Including ECMC LAS Supervisor Noto on inspection report for notification purposes.		

**Attached Documents**You can go to ECMC Images (<https://ecmc.state.co.us/weblink/>) and search by document number:

Document Num	Description	URL
718100391	Inspection Photos and Drone Report	<a href="https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6981713">https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6981713</a>