

**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:

05/02/2022

Submitted Date:

05/03/2022

Document Number:

696203608

FIELD INSPECTION FORMLoc ID 334752 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:**

8 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
De Paolo, Corey		corey.depaulo@state.co.us	

General Comment:

On 5/2/2022, Reclamation Specialist Trujillo conducted an interim reclamation and stormwater inspection on Caerus Piceance LLC's FEDERAL-67S95W /30NWNW location in Garfield County, Colorado.

The following compliance issues were observed during this inspection:

- Missing or insufficient BMPs to minimize erosion, degradation.
- Leak at the tank battery
- Stained soils

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; refer to inspection #699804284 for corrective action regarding signage at the battery.

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: ☐

Emergency Contact Number:

Comment: Corrective Action: Date: Overall Good: ☐**Spills:**

Type	Area	Volume		
	Tank			
Comment:	Stained soils observed within areas of the tank battery; fluids also observed leaking from the bull plug on the west side, of the southwestern produced water tank.			
Corrective Action:	Clean and properly dispose in accordance with 905 rules.			Date: 06/03/2022
Produced Water	Tank			
Comment:	Fluids observed dripping/leaking from the bull plug on the west side, of the southwestern produced water tank. Reclamation Specialist made contact with a Caerus pumper on the Federal /20-11 (PN20) Location at approximately 13:20, and updated him of the spill. Reclamation Specialist also provided notice of the spill to Mr. Brett Middleton			
Corrective Action:	Securely fasten all valves, pipes, fittings, and Production Facilities to ensure good mechanical condition			Date: 05/04/2022

In Containment: Yes

Comment: ☐ Multiple Spills and Releases?**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 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? PassComment No waste or debris observed on the production and interim areas of the Location.

Corrective Action _____

Date _____

Unused or unneeded equipment onsite? _____

Comment No unused or unneeded equipment observed on the production and interim areas of the Location.

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

It was observed in this inspection that desirable perennial vegetative establishment on the interim areas to the north, east and southern ends of the Location appear to meet 1003 reclamation standards. It was also observed that areas on the western interim areas of the Location appear to have been recently disturbed; though it is unclear if additional work to reclaim the disturbance was conducted, perennial germination was observed throughout the disturbance.

Continue to monitor and manage interim areas until site receives a passing final inspection; conduct work as determined to ensure location progresses towards 1003 standards.

See "stormwater" regarding stabilization and erosion concerns observed on the western interim areas.

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: It was observed in this inspection that control measures to minimize erosion and degradation are missing or insufficient at the cut slopes on the south end of the Location, and the western interim areas; soils predominantly bare and at risk to wind and water erosion; degradation and sediment transport/deposition observed.

Corrective Action: Install or repair required BMPs and maintain per Rule 1002.f.(2)C

Date: 05/10/2022

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

Document Num	Description	URL
403036968	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5743129
696203609	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5743122