

**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:

08/17/2022

Submitted Date:

08/22/2022

Document Number:

696203992

FIELD INSPECTION FORM

Loc ID 479214 Inspector Name: Trujillo, Aaron On-Site Inspection 2A Doc Num: _____

Status Summary:

- THIS IS A FOLLOW UP INSPECTION
- FOLLOW UP INSPECTION REQUIRED
- NO FOLLOW UP INSPECTION REQUIRED

Operator Information:

OGCC Operator Number: 10456
Name of Operator: CAERUS PICEANCE LLC
Address: 1001 17TH STREET #1600
City: DENVER State: CO Zip: 80202

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
,		dnr_cogccenforcement@state.co.us	
,		COGCC.inspections@caerusoilandgas.com	All Inspections

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
479214	LOCATION	AC	01/14/2021		-	BJU N23-496 Central Delivery Point Production Pad	CI

General Comment:

On 8/17/2022, Reclamation Specialist Trujillo inspected Caerus Piceance LLC's BJU N23-496 Central Delivery Point /Production Pad Location in Garfield County, Colorado.

This inspection is a follow-up to #696203136, #696203784 and 696203901 to document compliance with the following corrective actions:
 -Soil removal and segregation
 -Protection of Soil
 -1002.f: Stormwater

It was observed in this inspection that the Location remains out of compliance with COGCC Rules and Corrective actions.

The following, new compliance issues were observed during this inspection
 -Labeling at tanks

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.

A follow up inspection on this site will be conducted to ensure the compliance issues have been corrected to comply with COGCC rules.

Location

Overall Good:

Signs/Marker:

Type	TANK LABELS/PLACARDS		
Comment:	Previous inspections observed that a tank battery (3 AST) was installed on the north end of the Location. Inspection noted that battery/tanks require signage/labeling within 60 days from installation. It was observed in this inspection that signage/labelling have not been installed at the battery/tanks; tanks have been on Location for at least 60 days.		
Corrective Action:	Install signage/labeling at battery/tanks.	Date:	08/17/2022

Emergency Contact Number:

Comment:	970-285-2615	Date:	
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: 479214 Type: LOCATION API Number: - Status: AC Insp. Status: CI

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 Fail

Comment [See "Comment #1"](#).

Corrective Action **Comply with Rule 1002.f, 1002.b and 1002.c; implement perimeter stormwater and erosion control BMPs to manage runoff, and to allow for sediment laden-free discharge from the Location; ensure BMPs are installed accordance with good engineering practices, are adequate for the sites conditions, and are maintained in a proper functioning conditions. Ensure stockpiled topsoil is not incorporated with the BMPs, and remain protected.**

Date **09/10/2021**

1002c. PROTECTION OF SOILS Fail

Comment [See "Comment #2"](#).

Corrective Action **Comply with Rules 1002.c and 1002.f.**

Date **07/01/2022**

1002E. SURFACE DISTRURBANCE 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

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:

Corrective Action:

Date _____

Overall Final Reclamation _____ Well Release on Active Location Multi-Well Location

COGCC Comments

Comment	User	Date
<p>COMMENT #2</p> <p>Inspection #696203136 (9/3/2021) observed that BMPs to protect, stabilize and prevent sediment transport at the stockpiled soils on the Location are missing or insufficient, and that sections of erosion logs implemented at stockpiled soils on the east end of the Location are not in proper functioning condition per good engineering practices. Inspection required Operator to comply with 1002.c and 1002.f.</p> <p>Inspections #696203784 and 696203901 observed that hydromulch was implemented at the topsoil stockpiles, however hydromulch BMP was not maintained in proper functioning condition resulting in stockpiled soils being at risk to wind and water erosion. Additionally, erosion logs observed in the 9/3/2021 inspection have not been maintained; inspections observed BMPs to protect, stabilize and prevent sediment transport/loss from the stockpiled soils were inadequate, resulting in offsite sediment transport continuing within the same areas along the perimeter. Inspection required Operator to comply with 1002.c and 1002.f.</p> <p>It was observed in this inspection that BMPs to protect, stabilize and prevent sediment transport/loss from the stockpiled soils remain inadequate; hydromulch on soil stockpiles, and perimeter erosion logs have not been repaired/maintained, resulting in unstabilized soils and off site sediment transport.</p> <p>This corrective action has not been addressed and remains applicable.</p>	trujilloam	08/22/2022
<p>COMMENT #1</p> <p>Inspection #696203136 (9/3/2021) observed that Operator has salvaged and placed topsoil along the perimeter of the Location; topsoil has been utilized at the base of the fill slopes/subsoils of the Location as a berm and sediment trap/pond to manage stormwater; use of topsoil as stormwater controls places resource at risk to mixing with subsoils and sediment, and at risk of loss due to stormwater discharge displacing the topsoil, and do does not comport with Rule 1002.b and 1002.c. Inspection required Operator to comply with Rule 1002.f and implement perimeter controls to manage stormwater runoff, and to ensure stockpiled topsoil is not incorporated with the BMPs and remains protected.</p> <p>It was observed in this inspection that topsoil remains in use along the perimeter of the Location as a berm and sediment trap/pond to manage stormwater. See "Comment #1" and "1002.c" regarding protection of topsoil. This corrective action has not been addressed.</p>	trujilloam	08/22/2022

Attached Documents

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

Document Num	Description	URL
696203993	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5837187