

**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:

11/23/2022

Submitted Date:

11/29/2022

Document Number:

702800958**FIELD INSPECTION FORM**Loc ID: 413221 Inspector Name: O'Malley, Anna 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:**

10 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
Arauza, Steven		steven.arauza@state.co.us	
,		COGCC.inspections@caerus oilandgas.com	All Inspections
Heil, John		john.heil@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
413221	LOCATION	AC			-	17L 794	RI

General Comment:

On 11/23/2022, Reclamation Specialist O'Malley conducted an interim reclamation and stormwater inspection at Caerus Piceance LLC's 17L/794 Location #413221 in Garfield County, Colorado.

The following compliance issues were observed during this inspection:

- Noxious Weeds
- Two (2) corrosion inhibitor tanks leaking and overtopping secondary containment
- Stormwater: pad surface degraded

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.

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: ☐**Signs/Marker:**

Type	BATTERY		
Comment:	<p>Previous inspection #700703884 observed lack of battery signage. Inspector required Operator to install proper signage in correct location and provide correct information by 4/29/2022.</p> <p>Operator submitted FIRR #403085989 indicating sign was installed.</p> <p>It was observed in this inspection that battery signage is present and complies with Rule 605.e. This corrective action has been addressed.</p>		
Corrective Action:		Date:	

Emergency Contact Number:

Comment:	(866) 580-9382		
	911		
Corrective Action:		Date:	

Good Housekeeping:

Type	WEEDS		
Comment:	List B Noxious weeds (plumeless thistle, houndstongue) were observed occasionally throughout the location. Weed management required in the 2023 growing season.		
Corrective Action:	Conduct weed management to prevent further establishment and spread of noxious weeds; ongoing weed management required until location passes final reclamation.	Date:	05/01/2023

Overall Good: ☐**Spills:**

Type	Area	Volume		
Other				
Comment:	Two (2) corrosion inhibitor tanks at the north of the wells were observed to be leaking fluid. Fluid observed overtopping secondary containment and accumulating on the ground. Inspector called Operator on 11/23/22 at 09:52 to report the spill. Operator indicated the issue would be addressed immediately.			
Corrective Action:	Immediately clean spilled material. Implement or modify BMPs for improved material handling and spill prevention.			Date: 11/24/2022

In Containment: No

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: RANGELAND

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? Pass

Comment _____

Corrective Action _____

Date _____

Unused or unneeded equipment onsite? Pass

Comment _____

Corrective Action _____

Date _____

Pit, cellars, rat holes and other bores closed? Pass

Comment _____

Corrective Action _____

Date _____

Guy line anchors marked? _____

Comment _____

Corrective Action _____

Date _____

1003b. Area no longer in use? <u>Pass</u>	Production areas stabilized ? <u>Fail</u>
1003c. Compacted areas have been cross ripped? _____	
1003d. Drilling pit closed? <u>Pass</u>	Subsidence over on drill pit? <u>Pass</u>
Cuttings management: _____	
1003e. Areas no longer needed for drilling or subsequent operations for have been re-vegetated to 80% of pre-existing? <u>In</u>	
Production areas have been stabilized? <u>Fail</u>	Segregated soils have been replaced? <u>Pass</u>
RESTORATION AND REVEGETATION	
<u>Cropland</u>	
Top soil replaced _____	Recontoured _____ Perennial forage re-established _____
<u>Non-Cropland</u>	
Top soil replaced <u>Pass</u>	Recontoured <u>Pass</u> 80% Revegetation <u>In</u>
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? <u>F</u>	
Comment	<div style="border: 1px solid black; padding: 5px;"> <p>Refer to the "Location" section of this inspection report for weed control corrective action.</p> <p>Areas of the location not needed for production, or no longer in use have been reduced and reclaimed. Perennial grasses appear to be established. Snow cover prevented detailed reclamation assessment. Follow up inspection during growing season required.</p> </div>
Corrective Action	<div style="border: 1px solid black; height: 20px; width: 100%;"></div>
Date _____	
Overall Interim Reclamation <u>In Process</u>	
<u>Final Reclamation/ Abandoned Location:</u>	
Date Final Reclamation Started: _____ Date Final Reclamation Completed: _____	
Final Land Use: <u>RANGELAND</u>	
Reminder: _____	
Comment: <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	
Well plugged _____	Pit mouse/rat holes, cellars backfilled _____
Debris removed _____	No disturbance /Location never built _____
Access Roads <u>Regraded</u> _____	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: <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	

Corrective Action: <input style="width: 90%;" type="text"/>	Date: <input style="width: 80%;" type="text"/>
Overall Final Reclamation <input type="checkbox"/>	Well Release on Active Location <input type="checkbox"/> Multi-Well Location <input type="checkbox"/>

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Gravel	Fail					degraded
Ditches						
Check Dams						
Seeding						
Sediment Traps						
Rip Rap						
Compaction	Fail					degraded
Berms						

Comment: It was observed in this inspection that the Location shows signs of lack of stabilization BMPs in some areas, as is evidenced by the presence of ruts. Tracking control BMPs to minimize/mitigate tracking and offsite sediment transport are missing or insufficient.

Corrective Action: Install or repair required BMPs per Rule 1002.f. Date:

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
403243510	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5927533
702800959	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5927530