

**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:

03/14/2023

Submitted Date:

03/17/2023

Document Number:

702801372

FIELD INSPECTION FORMLoc ID 334821 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:**

6 Number of Comments

1 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 |
|-------------|----------|--------|-------------|------------|-----------|--------------------|-------------|
| 211052 | WELL | PR | 06/15/2002 | GW | 045-06810 | COUEY T8-42 | RI |
| 261758 | WELL | PR | 08/07/2002 | GW | 045-07975 | COUEY 8-10B | RI |
| 261759 | WELL | PR | 05/16/2002 | GW | 045-07976 | COUEY 8-10A | RI |
| 334821 | LOCATION | AC | | | - | COUEY-67S92W 8NWSE | RI |

General Comment:

On 3/14/2023, Reclamation Specialist O'Malley conducted an interim reclamation and stormwater inspection at Caerus Piceance LLC's COUEY-67S92W/8NWSE Location #334821 in Garfield County, Colorado.

The following compliance issues were observed during this inspection:

- Bull plug not installed on tank drain

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: ☐

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Overall Good: ☐**Spills:**

Type

Area

Volume

In Containment: No

Comment:

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

corrective date

Type: Other

#

Comment: Bull plug not installed on tank drain.

Corrective Action: Install bull plug on tank drain.

Date: 03/27/2023

Venting:

Yes/No

Comment:

Corrective Action:

Date:

Flaring:

Type

Comment:

Corrective Action:

Date:

Inspected Facilities

| | | | | |
|----------------------------|-----------------------|------------------------------|-------------------|-------------------------|
| Facility ID: <u>211052</u> | Type: <u>WELL</u> | API Number: <u>045-06810</u> | Status: <u>PR</u> | Insp. Status: <u>RI</u> |
| Facility ID: <u>261758</u> | Type: <u>WELL</u> | API Number: <u>045-07975</u> | Status: <u>PR</u> | Insp. Status: <u>RI</u> |
| Facility ID: <u>261759</u> | Type: <u>WELL</u> | API Number: <u>045-07976</u> | Status: <u>PR</u> | Insp. Status: <u>RI</u> |
| Facility ID: <u>334821</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? 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 _____

No guy line anchors or markers observed. Location is partially snow covered, preventing full assessment.

Corrective Action _____

Date _____

| | |
|--|--|
| 1003b. Area no longer in use? <u>Pass</u> | Production areas stabilized ? <u>Pass</u> |
| 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? <u>In</u> | |
| Production areas have been stabilized? <u>Pass</u> | Segregated soils have been replaced? _____ |
| RESTORATION AND REVEGETATION | |
| <u>Cropland</u> | |
| Top soil replaced _____ | Recontoured <u>Pass</u> Perennial forage re-established <u>In</u> |
| <u>Non-Cropland</u> | |
| 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? <u>P</u> | |
| Comment | Areas of the location not needed for production, or no longer in use have been reduced and reclaimed. No noxious weed concerns observed at the time of this inspection. Introduced perennial grasses (intermediate and crested wheatgrass) and alfalfa were observed in interim areas. However, vegetation assessment was impeded by snow cover. A follow up inspection will be conducted during a future growing season to determine compliance with 1003 requirements. |
| Corrective Action | |
| Date _____ | |
| Overall Interim Reclamation In Process | |
| <u>Final Reclamation/ Abandoned Location:</u> | |
| Date Final Reclamation Started: _____ Date Final Reclamation Completed: _____ | |
| Final Land Use: _____ | |
| Reminder: _____ | |
| Comment: <div style="border: 1px solid black; height: 20px;"></div> | |
| 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: <div style="border: 1px solid black; height: 20px;"></div> | |

| | |
|--|--|
| Corrective Action: <input style="width: 90%;" type="text"/> | Date: <input style="width: 90%;" type="text"/> |
| Overall Final Reclamation <input style="width: 30%;" type="text"/> | Well Release on Active Location <input style="width: 30%;" type="checkbox"/> |
| Multi-Well Location <input style="width: 30%;" type="checkbox"/> | |

Storm Water:

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Gravel | | | | | | |
| Compaction | | | | | | |

| | | |
|--------------------|--|--|
| Comment: | <input style="width: 95%;" type="text" value="No stormwater issues observed in visible portions of the location. At the time of this inspection the location is partially snow covered; unable to perform full stormwater inspection."/> | |
| Corrective Action: | <input style="width: 95%;" type="text"/> | Date: <input style="width: 90%;" type="text"/> |

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 |
|--------------|----------------------|---|
| 403349164 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6054724 |
| 702801373 | Inspection Photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6054665 |