

**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:

04/17/2023

Submitted Date:

04/20/2023

Document Number:

696204854

FIELD INSPECTION FORM

Loc ID 334342	Inspector Name: Trujillo, Aaron	On-Site Inspection <input type="checkbox"/>	2A Doc Num: _____	Status Summary: <input checked="" type="checkbox"/> THIS IS A FOLLOW UP INSPECTION <input checked="" type="checkbox"/> FOLLOW UP INSPECTION REQUIRED <input type="checkbox"/> NO FOLLOW UP INSPECTION REQUIRED Findings: 18 Number of Comments 4 Number of Corrective Actions <input checked="" type="checkbox"/> Corrective Action Response Requested
Operator Information: OGCC Operator Number: 10456 Name of Operator: CAERUS PICEANCE LLC Address: 1001 17TH STREET #1600 City: DENVER State: CO Zip: 80202				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
279080	WELL	PR	10/05/2010	GW	045-10994	HYRUP 2-46	RI
290316	WELL	PR	01/01/2022	GW	045-14073	HYRUP 2-23A	RI
290317	WELL	PR	05/01/2012	GW	045-14072	HYRUP 2-23B	RI
290318	WELL	SI	07/01/2022	GW	045-14071	HYRUP 2-23C	RI
290319	WELL	SI	01/01/2023	GW	045-14070	HYRUP 2-24A	RI
290320	WELL	SI	08/01/2022	GW	045-14069	HYRUP 2-24B	RI
290321	WELL	PR	04/30/2010	GW	045-14068	HYRUP 2-33A	RI
290536	WELL	PR	03/01/2010	GW	045-14132	HYRUP 2-24C	RI

General Comment:

On 4/17/2023, Reclamation Specialist Trujillo conducted an interim reclamation and stormwater inspection at Caerus Piceance LLC's Hyrup-68S96W/2NESW location in Garfield County, Colorado.

The following compliance issues were observed during this inspection:

- Stormwater; pad/Access Road lacks stabilization
- Tank Labels
- Plug missing/removed from tank.

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:			
Corrective Action:		Date:	
Type	TANK LABELS/PLACARDS		
Comment:	Signs or labels at tanks not posted or information too small to read at distance or installed in place where not visible.		
Corrective Action:	Install sign to comply with Rule 605.h.	Date:	06/20/2023
Type	WELLHEAD		
Comment:			
Corrective Action:		Date:	

Emergency Contact Number:

Comment: 1-866-580-9382 / 911
1-866-662-5304

Corrective Action:

Date:

Overall Good: ☒

Spills:			
Type	Area	Volume	

In Containment: No

Comment:

☐ Multiple Spills and Releases?

Fencing/:			
Type	WELLHEAD		
Comment:	Hog panels		
Corrective Action:		Date:	
Type	SEPARATOR		
Comment:	Hog panels		
Corrective Action:		Date:	
Type	TANK BATTERY		
Comment:	Hog panels		
Corrective Action:		Date:	

Equipment:			corrective date
Type: Other	#		
Comment:	Wind indicator safety equipment on tank battery no longer in proper functioning condition.		
Corrective Action:	Maintain wind indicator safety equipment.	Date:	05/20/2023

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
	4	300 BBLS	STEEL AST		,

Comment:	See "signs/markers" above. Bull plug removed from one of the tanks, fluids appear to be slowing leaking from valve.	
Corrective Action:	Securely fasten all valves, pipes, fittings, and Production Facilities to ensure good mechanical condition. Remove and properly dispose impacted materials within containment.	Date: 04/27/2023

Paint

Condition		
Other (Content)		
Other (Capacity)		
Other (Type)		

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Metal				Adequate	
Comment:	Containment appears to be in proper functioning condition.				
Corrective Action:				Date:	

Venting:

Yes/No			
Comment:			
Corrective Action:		Date:	

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Inspected Facilities

Facility ID: 279080 Type: WELL API Number: 045-10994 Status: PR Insp. Status: RI

Facility ID: 290316 Type: WELL API Number: 045-14073 Status: PR Insp. Status: RI

Facility ID: 290317 Type: WELL API Number: 045-14072 Status: PR Insp. Status: RI

Facility ID: 290318 Type: WELL API Number: 045-14071 Status: SI Insp. Status: RI

Idle Well

Purpose: ☒ Shut In ☐ Temporarily Abandoned Reminder: _____

Comment: Records show well has been "Shut In" since 7/2022. Well required to be returned to production by 7/2023, or will be designated as an "Inactive Well", subject to Rule 434 requirements.

Corrective Action: _____ Date: _____

Facility ID: 290319 Type: WELL API Number: 045-14070 Status: SI Insp. Status: RI

Idle Well

Purpose: ☒ Shut In ☐ Temporarily Abandoned Reminder: _____

Comment: Records show well has been "Shut In" since 1/2023. Well required to be returned to production by 1/2024, or will be designated as an "Inactive Well", subject to Rule 434 requirements.

Corrective Action: _____ Date: _____

Facility ID: 290320 Type: WELL API Number: 045-14069 Status: SI Insp. Status: RI

Idle Well

Purpose: ☒ Shut In ☐ Temporarily Abandoned Reminder: _____

Comment: Records show well has been "Shut In" since 8/2022. Well required to be returned to production by 8/2023, or will be designated as an "Inactive Well", subject to Rule 434 requirements.

Corrective Action: _____ Date: _____

Facility ID: 290321 Type: WELL API Number: 045-14068 Status: PR Insp. Status: RI

Facility ID: 290536 Type: WELL API Number: 045-14132 Status: PR Insp. Status: RI

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 _____

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 _____

No waste or debris observed on the interim and production areas of the Location.

Corrective Action _____

Date _____

Unused or unneeded equipment onsite? Pass

Comment _____

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

Corrective Action _____

Date _____

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

Comment _____

Corrective Action _____

Date _____

Guy line anchors marked? _____

Comment _____

Anchors not observed.

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? In

Production areas have been stabilized? Fail Segregated soils have been replaced? Pass

RESTORATION AND REVEGETATIONCropland

Top soil replaced _____ Recontoured _____ Perennial forage re-established _____

Non-Cropland

Top soil replaced In Recontoured _____ 80% Revegetation In

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

Interim areas not reasonably needed for production have been reclaimed. Perennial establishment evident, however it was observed that vegetation on the interim areas appears to be predominantly undesirable plant species and not reflective of the adjacent reference area. Additional revegetation activities may be necessary to ensure site meets 1003 standards.

Continue to monitor and manage interim areas. Submit Form 4 once the site meets 1003 standards.

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 <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

Comment: It was observed in this inspection that stormwater and erosion control BMPs at the Location and access road are missing or insufficient:

- Outlet on the north end of the Location appears to be in proper functioning condition, however pad does not appear to be adequately contoured to divert stormwater to outlet, or areas have filled with sediment, resulting in ponding.
- Working pad surface lacks stabilization; tracking controls not observed at Location/Location entrance. BMPs to stabilize, as well as to minimize tracking and off-site sediment transport during wet conditions are missing or insufficient..
- Access road lacks stabilization during wet conditions; rutting/degradation evident.

Regrading activities alone will be inadequate

Corrective Action: Comply with Rule 1002.f; install or repair required stormwater and erosion control BMPs in accordance with good engineering practices. Ensure BMPs are maintained in proper functioning condition.

Date: 04/23/2023

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
696204855	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6088588