

**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:

696204852

FIELD INSPECTION FORM

Loc ID 334103 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:**

16 Number of Comments

5 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
273408	WELL	PR	09/01/2017	GW	045-10246	HYRUP 2-68	RI
290196	WELL	PR	06/01/2014	GW	045-14035	HYRUP 2-34C (2O)	RI
290245	WELL	SI	05/01/2022	GW	045-14056	HYRUP 2-44B	RI
290246	WELL	PR	01/01/2011	GW	045-14067	HYRUP 2-34B (2O)	RI
290247	WELL	PR	09/01/2017	GW	045-14066	HYRUP 2-34A	RI
290252	WELL	PR	04/01/2022	GW	045-14061	HYRUP 11-41B (2O)	RI
290253	WELL	SI	02/01/2022	GW	045-14060	HYRUP 11-41A	RI
290254	WELL	PR	09/01/2017	GW	045-14059	HYRUP 11-31A (2O)	RI
290255	WELL	SI	06/01/2022	GW	045-14058	HYRUP 2-44D	RI
290256	WELL	PR	04/30/2010	GW	045-14057	HYRUP 2-44C	RI
290258	WELL	PR	06/29/2010	GW	045-14055	HYRUP 2-44A	RI
334103	LOCATION	AC			-	HYRUP 2-34B	RI

General Comment:

On 4/17/2023, Reclamation Specialist Trujillo conducted an interim reclamation and stormwater inspection at Caerus Piceance LLC's Hyrup 2-34B location in Garfield County, Colorado.

The following compliance issues were observed during this inspection:

- Stormwater; pad/Access Road lacks stabilization
- Good Housekeeping
- Liner integrity
- Wind indicator

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: _____

Good Housekeeping:

Type	STORAGE OF SUPL		
Comment:	T-post observed improperly stored within secondary containment of Battery.		
Corrective Action:	Comply with Rule 606.	Date:	04/27/2023

Overall Good: ☐**Spills:**

Type	Area	Volume		
------	------	--------	--	--

In Containment: No

Comment:

☐ Multiple Spills and Releases?**Fencing/:**

Type	SEPARATOR		
Comment:	Hog Panelling		
Corrective Action:		Date:	
Type	TANK BATTERY		
Comment:	Gate at tank battery appears to be the only structure ensuring that the hog-panel fence does not fall over; t-post supports throughout fence appears to be un-anchored; Fence unstable.		
Corrective Action:	Maintain fence	Date:	05/20/2023
Type	WELLHEAD		
Comment:	Hog Panelling		
Corrective Action:		Date:	

Equipment:

Type: Other	# 1		corrective date
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	
OTHER	2	300 BBLS	STEEL AST		,	
Comment:						
Corrective Action:						Date:

Paint

Condition		
Other (Content)	Sour condensate / Sour Produced water mix.	
Other (Capacity)		

Other (Type)						
Berms						
Type	Capacity	Permeability (Wall)		Permeability (Base)	Maintenance	
Metal	Adequate	Walls Sufficient		Base Sufficient	Adequate	
Comment:						
Corrective Action:						Date:
Contents	#	Capacity	Type	Tank ID	SE GPS	
OTHER	3	300 BBLs	STEEL AST		,	
Comment:						
Corrective Action:						Date:
Paint						
Condition						
Other (Content) Sour condensate / Sour Produced water mix.						
Other (Capacity)						
Other (Type)						
Berms						
Type	Capacity	Permeability (Wall)		Permeability (Base)	Maintenance	
Metal		Walls Insufficient			Inadequate	
Comment:		Secondary containment BMP not sufficiently impervious to contain a spill or release; various holes/tears observed throughout the liner.				
Corrective Action:		Install or repair BMPs at tank battery; ensure BMPs remain impervious to contain a spill or release.				Date: 05/20/2023
Venting:						
Yes/No						
Comment:						
Corrective Action:					Date:	
Flaring:						
Type						
Comment:						
Corrective Action:					Date:	

Inspected Facilities				
Facility ID: <u>273408</u>	Type: <u>WELL</u>	API Number: <u>045-10246</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>290196</u>	Type: <u>WELL</u>	API Number: <u>045-14035</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>290245</u>	Type: <u>WELL</u>	API Number: <u>045-14056</u>	Status: <u>SI</u>	Insp. Status: <u>RI</u>
Idle Well				
Purpose: <input checked="" type="checkbox"/> Shut In <input type="checkbox"/> Temporarily Abandoned Reminder: _____				
Comment: Records show well has been Shut since 5/2022. Well will be required to return to production by 5/2023, or be designated as an "Inactive Well" subject to Rule 434 requirements.				
Corrective Action: 				Date: _____
Facility ID: <u>290246</u>	Type: <u>WELL</u>	API Number: <u>045-14067</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>290247</u>	Type: <u>WELL</u>	API Number: <u>045-14066</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>290252</u>	Type: <u>WELL</u>	API Number: <u>045-14061</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>290253</u>	Type: <u>WELL</u>	API Number: <u>045-14060</u>	Status: <u>SI</u>	Insp. Status: <u>RI</u>
Idle Well				
Purpose: <input checked="" type="checkbox"/> Shut In <input type="checkbox"/> Temporarily Abandoned Reminder: _____				
Comment: Records show well has been Shut In since 1/2022; Form 6(A) #403150040 on file designating well as "Out of Service". Unable to find records of an MIT; MIT required within 2 years of initial shut-in date (1/2024). Per Form 6(A), plugging due date for well by 12/31/2029.				
Corrective Action: 				Date: _____
Facility ID: <u>290254</u>	Type: <u>WELL</u>	API Number: <u>045-14059</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>290255</u>	Type: <u>WELL</u>	API Number: <u>045-14058</u>	Status: <u>SI</u>	Insp. Status: <u>RI</u>
Idle Well				
Purpose: <input checked="" type="checkbox"/> Shut In <input type="checkbox"/> Temporarily Abandoned Reminder: _____				
Comment: Records show well has been Shut since 6/2022. Well will be required to return to production by 6/2023, or be designated as an "Inactive Well" subject to Rule 434 requirements.				
Corrective Action: 				Date: _____
Facility ID: <u>290256</u>	Type: <u>WELL</u>	API Number: <u>045-14057</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>290258</u>	Type: <u>WELL</u>	API Number: <u>045-14055</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>334103</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: 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? PassComment [No waste or debris observed on the production and interim areas of the Location.](#)

Corrective Action _____

Date _____

Unused or unneeded equipment onsite? _____

Comment [See "Good Housekeeping".](#)

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 _____ 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 interim areas appear to be progressing towards 1003 reclamation requirements; there are areas where vegetation has not achieved a uniform cover; areas may require additional revegetation activities.

Continue to monitor and manage interim areas. Submit Form 4 once 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: 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 <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.

-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 are missing or insufficient; regrading activities alone will be inadequate.

-Culvert along access road immediately east of the Location has not been installed or maintained in accordance with good engineering practices; inlet/outlet protection and armoring inadequate; erosion degradation and sediment transport/deposition evident. Culvert pinched at outlet, and has filled with sediment.

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
403379451	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6088600
696204853	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6088587