

**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:

696204856

FIELD INSPECTION FORMLoc ID 334158 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:**

17 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
,		COGCC.inspections@caerus oilandgas.com	All Inspections

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
273050	WELL	SI	07/01/2022	GW	045-10210	HYRUP 2-56	RI
289755	WELL	SI	01/01/2023	GW	045-13878	HYRUP 2-33D	RI
289756	WELL	PR	07/01/2022	GW	045-13877	HYRUP 2-33C	RI
289757	WELL	SI	06/01/2022	GW	045-13876	HYRUP 2-33B	RI
334158	LOCATION	AC			-	HYRUP-68S96W 2NWSE	RI

General Comment:

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

The following compliance issues were observed during this inspection:

- Stormwater; Pad, Access Road, Slopes lacks stabilization
- Weed debris
- Wind indicator safety equipment

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	TANK LABELS/PLACARDS		
Comment:			
Corrective Action:		Date:	
Type	OTHER		
Comment:	Location entrance		
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:			
Corrective Action:		Date:	
Type	BATTERY		
Comment:			
Corrective Action:		Date:	

Emergency Contact Number:

Comment: 1-866-580-9382 / 911

Corrective Action:

Date: _____

Good Housekeeping:

Type	DEBRIS		
Comment:	Weed debris accumulation observed behind separator equipment.		
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	TANK BATTERY		
Comment:	Hog panelling		
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:	Hog panelling		
Corrective Action:		Date:	
Type	SEPARATOR		
Comment:	Hog panelling		
Corrective Action:		Date:	

Equipment:				corrective date
Type: Other	# 1			
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 Produced Water / Sour Condensate				
Other (Capacity)					
Other (Type)					

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Earth	Adequate	Walls Sufficient	Base Sufficient	Adequate	
Comment:					
Corrective Action:					Date:

Venting:

Yes/No			
Comment:			
Corrective Action:		Date:	

Flaring:

Type			
Comment:			
Corrective Action:		Date:	

Inspected FacilitiesFacility ID: 273050 Type: WELL API Number: 045-10210 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: 289755 Type: WELL API Number: 045-13878 Status: SI Insp. Status: RI**Producing Well**

Comment: Scout Card records show well as "Producing"; Last record of production on file shows well "PR" 2/2023

Corrective Action: _____ Date: _____

Facility ID: 289756 Type: WELL API Number: 045-13877 Status: PR Insp. Status: RIFacility ID: 289757 Type: WELL API Number: 045-13876 Status: SI Insp. Status: RI**Idle Well**Purpose: ☒ Shut In ☐ Temporarily Abandoned Reminder: _____

Comment: Records show well has been "Shut In" since 6/2022. Form 6(A) 403150040 designates well as "Out of Service". Initial Form 27 #403328292 on file for Decommissioning of O&G Facility; "initial notification to abandon...the well and associated flowline". No Form 6 "Notice of Intent" appears to have been submitted at this time.

Corrective Action: _____ Date: _____

Facility ID: 334158 Type: LOCATION API Number: - Status: AC 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 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? _____

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

Corrective Action _____

Date _____

Unused or unneeded equipment onsite? PassComment [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 Pass Recontoured Pass 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
<div style="display: flex; justify-content: space-between;"> <div style="width: 75%;"> <p>Comment: It was observed in this inspection that stormwater and erosion control BMPs at the Location and access road are missing or insufficient.</p> <p style="color: blue;">-BMPs missing at the cut slopes of the Location and access road; slopes bare/exposed; erosion/degradation evident.</p> <p style="color: blue;">-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..</p> <p style="color: blue;">-Access road lacks stabilization during wet conditions; rutting/degradation evident.</p> <p style="color: blue;">Regrading activities alone will be inadequate</p> </div> <div style="width: 20%; text-align: right;"> <p>Date: 04/23/2023</p> </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 75%;"> <p>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.</p> </div> <div style="width: 20%;"></div> </div>						
<p>Pits: <input type="checkbox"/> NO SURFACE INDICATION OF PIT</p>						

Attached Documents

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

Document Num	Description	URL
403379455	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6088604
696204857	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6088589