

**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:

05/31/2022

Submitted Date:

06/06/2022

Document Number:

702800292

FIELD INSPECTION FORMLoc ID 335307 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

2 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 |
| Ramsey, Scott | | scott.ramsey@state.co.us | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|----------|--------|-------------|------------|---------|---------------------|-------------|
| 335307 | LOCATION | AC | | | - | COUEY-66S92W 31NWNE | RI |

General Comment:

On 05/31/2022, Reclamation Specialist O'Malley conducted a reclamation and stormwater inspection at Caerus Piceance LLC's Couey-66S92W /31NWNE Location #335307 in Garfield County, Colorado.

The following compliance issues were observed during this inspection:

- Lack of required battery signage
- Noxious Weeds: Russian knapweed

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: | Previous inspections observed a lack of battery signage. It was observed in this inspection that proper signage is still absent at the tank battery. Corrective action and date remain applicable. | | |
| Corrective Action: | Provide proper signage. | Date: | 05/25/2021 |

Emergency Contact Number:

| | | |
|--------------------|--|-------------|
| Comment: | | Date: _____ |
| Corrective Action: | | |

Good Housekeeping:

| | | | |
|--------------------|--|-------|------------|
| Type | WEEDS | | |
| Comment: | It was observed in this inspection that a patch of Russian knapweed is established at the northeast of the Location. A corrective action date of 10/15/2022 is being given. Operator is encouraged to treat as soon as possible, but also to verify species identification and determine the appropriate measures (type and timing) to treat the particular species. | | |
| Corrective Action: | Conduct weed management to prevent further establishment and spread of Noxious Weeds; ongoing weed management required until location passes final reclamation. | Date: | 10/15/2022 |

Overall Good: ☐**Spills:**

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

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: _____

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? Pass 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? _____ Segregated soils have been replaced? _____

RESTORATION AND REVEGETATIONCropland

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

Non-Cropland

Top soil replaced _____ 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? F

Comment

It was observed in this inspection that areas not reasonably needed for production have been reduced and reclaimed. The Interim Areas of the Location are dominated by the introduced perennial grass Russian wildrye. Native shrubs (sagebrush, rabbitbrush) and forbs (hollyleaf clover, sego lily, scarlet globemallow, are occasional. Introduced species are occasional but not dominant and include Russian knapweed, desert madwort, clasping pepperweed and stork's-bill. Refer to the "Location" section of this report for Noxious Weed Corrective Action. Cattle are present at the time of the inspection. Inspector estimates moderate utilization, with the majority of grasses grazed. A follow-up inspection will be conducted to determine 1003 compliance.

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 ☐Multi-Well Location ☐**Storm Water:**

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

Comment: Corrective Action:

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 |
|--------------|-------------------|---|
| 702800293 | Inspection Photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5771846 |