

**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:

10/09/2023

Submitted Date:

10/11/2023

Document Number:

696205327

FIELD INSPECTION FORMLoc ID 335716 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:**

20 Number of Comments

7 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 |
|-------------|----------|--------|-------------|------------|-----------|---------------|-------------|
| 290824 | WELL | PR | 06/01/2023 | GW | 045-14204 | BERRY 1-21D | RI |
| 292174 | WELL | PR | 10/02/2008 | GW | 045-14629 | BERRY 1-20D | RI |
| 292175 | WELL | SI | 07/01/2023 | GW | 045-14628 | BERRY 1-19D | RI |
| 292176 | WELL | SI | 05/01/2023 | GW | 045-14627 | BERRY 1-18D | RI |
| 292178 | WELL | SI | 05/01/2023 | GW | 045-14625 | BERRY 1-22D | RI |
| 292185 | WELL | PR | 04/14/2009 | GW | 045-14619 | BERRY 1-36D | RI |
| 335716 | LOCATION | AC | | | - | BERRY F01 697 | RI |

General Comment:

On 10/09/2023, Reclamation Specialist Trujillo conducted an interim reclamation and stormwater at Caerus Piceance LLC's BERRY F01 697 location in Garfield County, Colorado.

The following compliance issues were observed during this inspection:

- Undesirable and Noxious Plant Species
- Signage
- Wildlife Protections
- Good Housekeeping
- Equipment

Refer to the "Location" and "Reclamation" 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; The "Date of Discovery" is being provided as the corrective action date for all new observed compliance issues. Location will remain out of compliance until corrective action(s) has(have) been resolved and a follow up inspection will be conducted to ensure the compliance issues have been corrected to comply with ECMC rules.

LocationOverall Good: ☒

| | | | |
|----------------------|--|--|------------------|
| Signs/Marker: | | | |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | Labels/Signage posted at the partially burried tank on the north end of the battery facility is no longer legible. | | |
| Corrective Action: | Comply with Rule 605.h | | Date: 10/09/2023 |
| Type | WELLHEAD | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type | BATTERY | | |
| Comment: | Tank battery signage pursuant to Rule 605.e not posted. | | |
| Corrective Action: | Comply with Rule 605.e | | Date: 10/09/2023 |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | 300 bbl produced water/condensate tanks | | |
| Corrective Action: | | | Date: |

Emergency Contact Number:

Comment: 970-285-2615 / 911

Corrective Action:

Date: _____

Good Housekeeping:

| | | | |
|--------------------|---|--|------------------|
| Type | WEEDS | | |
| Comment: | Undesirable and Noxious Plant species observed established throughout the interim areas of the Location; noxious species observed include Houndstongue, Musk thistle and Bull thistle. Other species of note include Cheatgrass and Tumble mustard. | | |
| Corrective Action: | Comply with Rules 606.c and 1003.f. Continue to monitor and manage weeds on Location until site receives a passing final reclamation inspection. | | Date: 10/09/2023 |
| Type | TRASH | | |
| Comment: | Various trash and debris (crumpled fence panel, tarp material, insulation material, broken ladder, etc...) observed throughout the Location. | | |
| Corrective Action: | Comply with 606 rules. | | Date: 10/09/2023 |

Overall Good: ☐

| | | | |
|----------------|------|--------|--|
| Spills: | | | |
| Type | Area | Volume | |

In Containment: No

Comment:

☐ Multiple Spills and Releases?

| | | | |
|--------------------|--|--|-------|
| Fencing/: | | | |
| Type | WELLHEAD | | |
| Comment: | Panels | | |
| Corrective Action: | | | Date: |
| Type | LOCATION | | |
| Comment: | Fencing along the perimeter of the working pad surface, and interim areas was observed to be in disrepair. | | |

| | | | |
|--------------------|--|-----------------|------------|
| Corrective Action: | Maintain fence. | Date: | 10/09/2023 |
| Equipment: | | corrective date | |
| Type: Other | # | | |
| Comment: | Wildlife protection measures observed to be missing or insufficient at the methanol tanks located next to the wells, and the separator equipment; wildlife mortality (rodent) observed within the containment measure. | | |
| Corrective Action: | Install or repair wildlife protection BMPs. | Date: | 10/09/2023 |
| Type: Other | # | | |
| Comment: | Hatch at the partially burried tank on the north end of the battery facility has not been properly closed/secured. | | |
| Corrective Action: | Close/secure tank hatch. | Date: | 10/09/2023 |

Tanks and Berms:

| | | | | | |
|--------------------|--|----------|-----------|---------|--------|
| Contents | # | Capacity | Type | Tank ID | SE GPS |
| | 1 | | PBV STEEL | | , |
| Comment: | Previous inspections identify tank as a 100 bbl condensate. Signage no longer legible. | | | | |
| Corrective Action: | | | | | Date: |

Paint

| | | | | | |
|------------------|--|--|--|--|--|
| Condition | | | | | |
| Other (Content) | | | | | |
| Other (Capacity) | | | | | |
| Other (Type) | | | | | |

Berms

| | | | | | |
|--------------------|---|---------------------|---------------------|-------------|--------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance | |
| Metal | Adequate | Walls Sufficent | Base Sufficent | Adequate | |
| Comment: | Containment BMP appeared to be in proper functioning condition at time of inspection. | | | | |
| Corrective Action: | | | | Date: | |
| Contents | # | Capacity | Type | Tank ID | SE GPS |
| OTHER | 2 | 300 BBLS | | | , |
| Comment: | | | | | |
| Corrective Action: | | | | | Date: |

Paint

| | | | | | |
|------------------|----------------------------------|--|--|--|--|
| Condition | | | | | |
| Other (Content) | Produced water / condensate mix. | | | | |
| Other (Capacity) | | | | | |
| Other (Type) | | | | | |

Berms

| | | | | |
|--------------------|---|---------------------|---------------------|-------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Metal | Adequate | Walls Sufficent | Base Sufficent | Adequate |
| Comment: | Containment BMP appeared to be in proper functioning condition at time of inspection. | | | |
| Corrective Action: | | | | Date: |

Venting:

| | | | |
|--------------------|--|-------|--|
| Yes/No | | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Flaring:

| | | |
|--------------------|--|-------|
| Type | | |
| Comment: | | |
| Corrective Action: | | Date: |

| Inspected Facilities | | | | |
|----------------------------|-----------------------|------------------------------|-------------------|-------------------------|
| Facility ID: <u>290824</u> | Type: <u>WELL</u> | API Number: <u>045-14204</u> | Status: <u>PR</u> | Insp. Status: <u>RI</u> |
| | | | | |
| Facility ID: <u>292174</u> | Type: <u>WELL</u> | API Number: <u>045-14629</u> | Status: <u>PR</u> | Insp. Status: <u>RI</u> |
| | | | | |
| Facility ID: <u>292175</u> | Type: <u>WELL</u> | API Number: <u>045-14628</u> | Status: <u>SI</u> | Insp. Status: <u>RI</u> |
| | | | | |
| Facility ID: <u>292176</u> | Type: <u>WELL</u> | API Number: <u>045-14627</u> | Status: <u>SI</u> | Insp. Status: <u>RI</u> |
| | | | | |
| Facility ID: <u>292178</u> | Type: <u>WELL</u> | API Number: <u>045-14625</u> | Status: <u>SI</u> | Insp. Status: <u>RI</u> |
| | | | | |
| Facility ID: <u>292185</u> | Type: <u>WELL</u> | API Number: <u>045-14619</u> | Status: <u>PR</u> | Insp. Status: <u>RI</u> |
| | | | | |
| Facility ID: <u>335716</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? _____

Comment _____

[See "Good Housekeeping".](#)

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? 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 _____

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

Remediation Proj. 10044 related to drill cuttings was closed 6/2021. It was observed in this inspection that areas of the Location reasonably needed for production have been reduced and interim reclamation is "in process". At least 1 or 2 growing seasons have passed since closure. Eastern interim areas appear to be progressing towards 1003 standards, however interim areas on the west end of the Location may require additional seeding efforts; vegetation is predominantly Undesirable Plant Species such as Tumble mustard and cheatgrass; desirable plant establishment within these areas is sparse. Additional growing seasons required.

Continue to monitor and manage interim areas. See "Good Housekeeping" regarding weeds.

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 |
|--------------|----------------------|---|
| 403557600 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6281342 |
| 696205328 | Inspection Photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6281321 |