



Caerus Piceance LLC
143 Diamond Ave
Parachute, CO 81635

August 28, 2018

Director Lepore
Colorado Oil & Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, CO 80203

RE: Rule 502.b. Variance

Dear Director Lepore,

Caerus Piceance LLC. (Caerus) is formally requesting a Rule 502.b. variance for the Parker Ranch 11-14 Location (Location ID# 323910). A variance is being requested for the following Rules:

Rule 1004.a As applicable, compaction alleviation, restoration and revegetation of well sites, associated production facilities and access roads shall be performed to the same standards as established for interim reclamation under Rule 1003.

Rule 1004.d Final reclamation of all disturbed areas shall be considered complete when all activities disturbing the ground have been completed, and all disturbed areas have been either built upon , compacted, covered, paved or otherwise stabilized in such a way as to minimize erosion, or a uniform vegetative cover has been established that reflects pre-disturbance or reference area forbs, shrubs, and grasses with total percent plant cover of at least eighty percent (80%) of pre-disturbance or reference area levels, excluding noxious weeds, or equivalent permanent , physical erosion reduction methods have been employed. Re-seeding alone is not sufficient.

The request is being made to accommodate the wishes of the surface owner to utilize the well pad and access road for agricultural operations. The well has been plugged and a Subsequent Form 6 has been filed. All associated production facilities and trash and debris has been removed. Caerus and the surface owner conducted an onsite inspection on November 9, 2017 and the surface owner has signed a Final Reclamation Agreement.

The pad area has been recontoured to accommodate the landowners use of the well pad for agricultural operations. There is no active stormwater erosion on site and noxious weeds have been controlled. The access road has also been stabilized for continued use to support agricultural operations.

Caerus has conducted an Operators Analysis and determined that public health, safety, welfare and the environment will not be harmed if the variance is approved.



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All supporting documentation has been attached to the submitted Form 4 Sundry Notice (Doc# 401517350).

If you have any questions or need additional information, please contact me at 970-285-2656 or at jeckman@caerusoilandgas.com.

Sincerely,

A handwritten signature in blue ink that reads "Jason Eckman". The signature is fluid and cursive, with the first name "Jason" and last name "Eckman" clearly distinguishable.

Jason Eckman
Sr. Regulatory Analyst

January 16, 2018

James Rose
PO Box 432
Rifle, CO
81650

Re: Final Reclamation Agreement
Parker Ranch 11-14 (A.P.I. # 05-045-06929)
T.7S. R.93W., 6th P.M.
Section 11: SESW
Garfield County, Colorado

Dear Mr. Rose:

Caerus Piceance LLC (Caerus) is the operator of the Parker Ranch 11-14. The well has been plugged and a Subsequent Form 6 has been filed with the Colorado Oil and Gas Conservation Commission (COGCC). All associated production facilities and any trash or debris connected to the previous oil and gas operations have been removed from the well site.

In accordance with the requirements of COGCC Rules 306.a. and 306.f an on-site review of the planned reclamation of the well site was conducted on November 9th, 2017. Reclamation of the well site and the access road has been completed per your specifications. There is no active stormwater erosion on the site. Noxious weeds have been controlled on the well site. Limited recontouring of the well site, to accommodate irrigation and use of the former well site in your agricultural operations, has occurred, and the well site has been reseeded. A two-track access road to the well location has been left for you to provide access to the site in your irrigation and livestock operations.

A waiver of the following COGCC 1000 Series rules is requested:

1004.a As applicable, compaction alleviation, restoration, and revegetation of well sites, associated production facilities, and access roads shall be performed to the same standards as established for interim reclamation under Rule 1003. The access road is being left in a compacted and stable state. The well location has been reclaimed per your specifications. You, as the Surface Owner, wish to waive the requirement for recontouring of the site to "as nearly as practicable to their original condition". Limited recontouring, to facilitate irrigation of the area and your use of the former well site in your agricultural operation has been completed to your specifications.

1004.d Final reclamation of all disturbed areas shall be considered complete when all activities disturbing the ground have been completed, and all disturbed areas have been either built upon, compacted, covered, paved, or otherwise stabilized in such a way as to minimize erosion, or a uniform vegetative cover has been established that reflects pre-disturbance or reference area forbs, shrubs, and grasses with total percent plant cover of at

least eighty percent (80%) of pre-disturbance or reference area levels, excluding noxious weeds, or equivalent permanent, physical erosion reduction methods have been employed. Re-seeding alone is not sufficient. You, as the Surface Owner, wish to waive any requirement for eighty percent (80%) pre-disturbance vegetative cover on the access road.

You, as the Surface Owner, agree that Caerus has fulfilled the requirements set forth by the COGCC for the abandonment of the wells, including reclamation required under COGCC Rules 1001 through 1004, that you have waived the reclamation of the access road and recontouring of the well site and certify that you are the owner of the surface of the Lands. You understand and agree that Caerus shall have no further responsibility or liability for the reclamation of the road. You acknowledge that you are accepting responsibility for any future reclamation of the unreclaimed portion of the land and, to the extent applicable, for protection of topsoil on the unreclaimed portion of the land. You acknowledge that Caerus has complied with your direction regarding final reclamation of the well and associated well site. You also acknowledge that Caerus has provided you with a copy of COGCC Rules 1001 through 1004.

If this letter correctly reflects your agreement, please sign and date this letter and return one copy to the undersigned.

Thank you for your time and consideration in this matter. If you have any questions or comments, please call the undersigned at 970-285-2697.


Sincerely,
Caerus Piceance LLC,



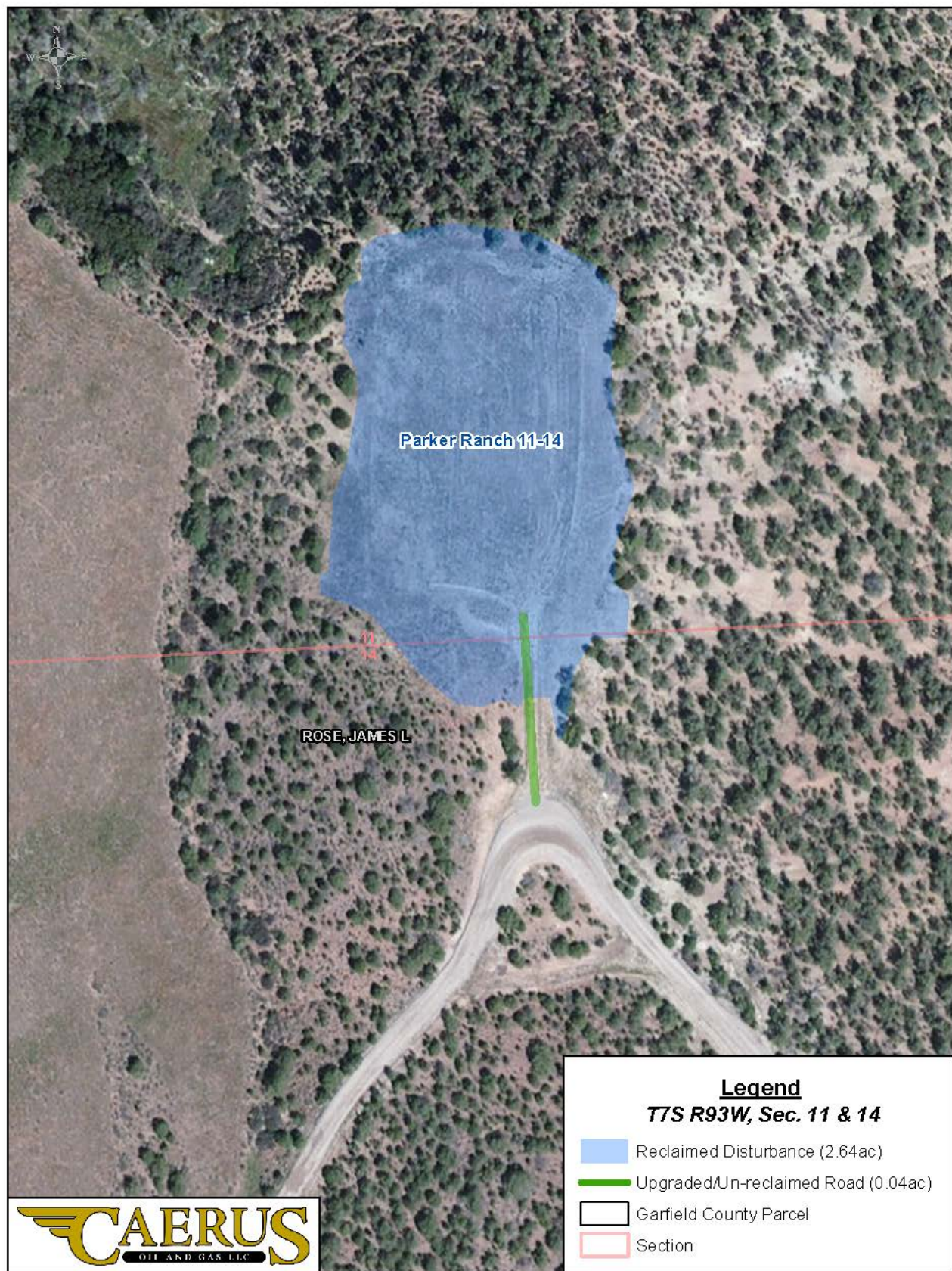
Kane Gunther – Surface Landman

I ACKNOWLEDGE AND AGREE as set forth above.

SURFACE OWNER

Signed: 
James Rose

Date: 01/16, 2018





COGCC Landowner Reclamation Variances and Waivers Guidance Document - Operator Analysis

Location Data

Location Name:	Parker Ranch 11-14
API:	05-045-06929
Legal:	T.7S. R.93W., 6th P.M. - Section 11, SESW
Landowner:	James Rose
Waiver/Variance Request:	Final Reclamation - Access Road Only
Waiver/Variance Request from Rules:	1004.a & 1004.d
Disturbed Area Reclaimed	2.64 Acres
Disturbed Area to be Remain	0.04 Acres

Guidance Document Criteria

All Wells on Location Plugged and Abandoned (Y/N)	Yes
Form 6 Subsequent Submitted (Y/N)	Yes
O&G Equipment Removed (Y/N)	Yes
Trash and Debris Removed (Y/N)	Yes
Noxious Weeds Controlled (Y/N)	Yes
Consultation with Landowner (Y/N)	Yes
Existing State of Reclamation:	Reclamation of the well site and the access road has been completed per the landowner's specifications. The well site area has been recontoured to approximately the pre-disturbance landform and has been reseeded. Caerus believes taht the pad reclamation has met the criteria set forth in Rule 1004. The access road is being left in a compacted and stable state. The access road provides necessary access to the landowner's agricultural and livestock operations and is being retained for those purposes.
Stormwater Management Controls/Stabilization:	There is no active stormwater erosion on the access road. Slopes on the road has been stabilized and stormwater flows permanently managed to prevent erosion and resulting soil loss.
Topsoil Conservation:	Topsoil present at the time of construction was redistributed around the access road.
Nature of Location: Urban/Rural	Rural
Proximity to Surface Water:	Dry Creek is located approximately 2400 feet to the west of the location. The access road is graded and stabilized to prevent runoff from reaching surface water.
Wildlife Areas:	This location does not fall within a CPW RSO area. This location does fall within the Mule Deer and Elk Winter Range SHW area. The location will be used for the landowner's agricultural operations. Caerus does not foresee any issues that would negatively impact the species listed above.
317B Area (Y/N):	This location does not fall within a 317B Area
Sensitive Area Classification:	This location does not fall within a Classified Sensitive Area.
Comparative benefits of re-contouring and reseeding vs. reseeding only	Reclamation of the well site and the access road has been completed per the landowner's specifications. The well site area has been recontoured to approximately the pre-disturbance landform and has been reseeded. Caerus believes taht the pad reclamation has met the criteria set forth in Rule 1004. The access road is being left in a compacted and stable state. The access road provides necessary access to the landowner's agricultural and livestock operations and is being retained for those purposes.

Conclusion:	Caerus's analysis, in accordance with COGCC guidance, would indicate that the granting of this variance request would not endanger public health, safety, and welfare, or significantly impact the environment or wildlife resources.
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