

**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:

09/03/2021

Submitted Date:

09/10/2021

Document Number:

696203145

FIELD INSPECTION FORMLoc ID 458475 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:

11 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
Arthur, Denise		denise.arthur@state.co.us	

General Comment:

On 9/3/2021, Reclamation Specialist Trujillo inspected Caerus Piceance LLC's NPM G35-496 Location in Garfield County, Colorado.

This inspection is a followup to #696202722, #696202986 and #696203029 to document compliance with the following corrective actions:

406.e.(4): Plugging conductors not drilled and 1003 reclamation

608.e: Leak at 045-14529

1002.b: Soil salvage and segregation and 1002.c: Protection of soils

1002.f: Stormwater

It was observed in this inspection that corrective actions regarding soil salvage, segregation, protection of soils, reclamation and stormwater have not been addressed and remain applicable.

Refer to the "Location", "Related Facilities" 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: _____

Overall Good: ☐**Spills:**

Type

Area

Volume

In Containment: No

Comment:

☐ Multiple Spills and Releases?**Equipment:**

corrective date

Type: Bradenhead

#

Comment:

Previous inspection documented a leak at well API 05-045-14529. Inspection required Operator to comply with Rule 608.e.

Operator submitted FIRR #402782526 stating CA was addressed.

It was observed in this inspection that fluids have been removed from the cellar; unable to detect leak from well.

Corrective Action:

Date:

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: RANGELAND

Comment: _____

1002 SITE PREPARATION AND STABILIZATION

1002a. FENCING _____

Comment _____

Corrective Action _____

Date _____

1002b. SOIL REMOVAL AND SEGREGATION FailComment [See "COGCC Comments" #1 for comments regarding Protection of Soils.](#)Corrective Action [Comply with Rule 1002.b.\(2\) and 1002.c.](#)Date **06/27/2021**1002c. PROTECTION OF SOILS FailComment [See "Stormwater" and 1002.b](#)

Corrective Action _____

Date _____

1002E. SURFACE DISTURBANCE MINIMIZATION _____

Comment _____

Corrective Action _____

Date _____

1003a. Waste and Debris removed? _____

Comment _____

Corrective Action _____

Date _____

Unused or unneeded equipment onsite? _____

Comment _____

Corrective Action _____

Date _____

Pit, cellars, rat holes and other bores closed? _____

Comment _____

Corrective Action _____

Date _____

Guy line anchors marked? _____

Comment _____

Corrective Action _____

Date _____

- 1003b. Area no longer in use? Fail 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? _____
- 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 _____ 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 [See "COGCC Comments" #2, for comments regarding construction and interim reclamation of the Location.](#)

Corrective Action Comply with Rule 406.e.(4).

Date 07/08/2021

Overall Interim Reclamation Fail

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 ☐

Multi-Well Location ☐

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Hydro Mulch						Topsoil stockpiles

Comment: [See "COGCC Comment" #3 for comments regarding Stormwater.](#)

Corrective Action: [Install or repair required BMPs per Rule 1002.f.\(2\)C. Ensure control measures are adequate for the site's conditions, implemented in accordance with good engineering practices, and maintained in proper functioning condition.](#)

Date: 05/29/2021

Pits: ☐ NO SURFACE INDICATION OF PIT

COGCC Comments

Comment	User	Date
<p>Comment #3: STORMWATER COMMENTS</p> <p>Previous inspections observed that stormwater and erosion control measures on the Location's perimeter, and to stabilize/protect slopes of the Location were missing, or insufficient.</p> <p>It was observed in this inspection that a hydromulch/tackifier has been re-applied to the topsoil stockpiles on the Location, and some areas of the fill slopes; however, BMPs to protect and stabilize the cut slope, and the remaining fill slopes of the Location (Main Pad and Frac Support Pad) remain missing or insufficient; topsoil remains in use as a sediment trap/pond to manage stormwater; stormwater control measures to properly manage runoff from the Location, and to protect topsoil remain inadequate.</p> <p>Location remains out of compliance with stormwater rules and corrective actions; corrective action has not been addressed and remains applicable.</p>	trujilloam	09/10/2021
<p>Comment #2: CONSTRUCTION AND RECLAMATION COMMENTS</p> <p>Previous inspections observed that the construction of the Location has been completed for the well site, and the frac support pad on the NW end of the Location. Inspection noted that no drilling or subsequent operations were observed or ongoing; conductors have been set with 1/8/2021 as the cement date for the last conductor; pursuant to Rule 406.e.(4), if wells have not been drilled within 6 months of setting the conductors (July, 2021), conductors will require plugging and Location reclaimed in accordance with 1003 Rules. If continuous drilling operations are not planned, Operator will be required to comply with the Interim Reclamation, Delayed Operations NTO.</p> <p>It was observed in this inspection that the settings have not been plugged, and the Location reclaimed in accordance with Rule 406.e.(4), and no "Interim Reclamation, Delayed Operations NTO" has been approved for this Location.</p>	trujilloam	09/10/2021

Comment #1: SOIL REMOVAL, SEGREGATION AND PROTECTION OF TOPSOIL

trujilloam

09/10/2021

Previous inspections observed that Operator salvaged and placed topsoil along the perimeter of the Location; topsoil has been utilized at the base of the fill slopes/subsoils of the Location as a berm and sediment trap/pond to manage stormwater. Topsoil has not been properly separated and protected, is being mixed with subsoil, and is at risk for loss due to stormwater discharge displacing the topsoil. Operator was notified in inspection that utilization of topsoil as stormwater control measures does not comport with Rule 1002.b and 1002.c; Operator was required to comply with Rule 1002.b.(2) and 1002.c.

It was observed in this inspection that the Location remains out of compliance with Rule 1002.b.(2) and 1002.c; a secondary ditch/berm has been implemented between the topsoil berms and the fill slopes on the west end of the Location, a straw wattle has been between the topsoil berms and fill slopes on the northeast end of the Location, and a tackifier/hydromulch has been applied to stabilize the stockpiled soils; topsoil stockpiled on the southeast end of the Location remains in use as a berm at the base of the fill slope, to divert runoff to the sediment trap/pond on the east end of the Location. Stormwater control measures to manage runoff from the Location, and to protect topsoil remain inadequate; the secondary ditch/berm, as well as wattles observed will divert runoff into the sediment trap/pond, which remains constructed with the topsoil salvaged from the Location; utilization of topsoil as stormwater control measures does not comport with Rule 1002.b and 1002.c.

Corrective action has not been addressed and remains applicable.

Attached Documents

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

Document Num	Description	URL
402807341	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5528044
696203146	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5528040