

**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:

702800290

FIELD INSPECTION FORM

Loc ID 334892 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

1 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
334892	LOCATION	AC			-	SHIDELER-66S92W 32SWNE	RI

General Comment:

On 05/31/2022, Reclamation Specialist O'Malley conducted an interim reclamation and stormwater inspection at Caerus Piceance LLC's Shideler-66S92W /32SWNE Location #334892 in Garfield County, Colorado. This is a follow up to inspection #702800148.

The following compliance issues were observed during this inspection:

- Interim Reclamation: vegetation not progressing towards 1003 standards
- Stormwater: Rills and sediment movement/soil loss throughout Location

Refer to the "Good Housekeeping," "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: ☐

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Good Housekeeping:

Type

OTHER

Comment:

Previous inspection #702800148 observed the excavation at the separator is inadequately protected with fence panels. Inspector required Operator to eliminate possibility of wildlife/personnel to enter open holes/trenches by 4/28/2022. It was observed in this inspection that fencing around the excavation at the separator completely encloses the area. The sides of the excavation were also observed to be gently sloped to allow for egress. This corrective action has been addressed.

Corrective Action:

Date:

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 _____

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? Pass

Comment _____

Corrective Action _____

Date _____

Previous inspection #702800148 observed the guy line anchor at the southeast of the working pad area is unmarked. Inspector required Operator to install proper marker or remove anchor per Rule 1003.a by 5/10/22. It was observed in this inspection that the anchor has been removed. This corrective action has been addressed.

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? **Fail**

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 **Fail**

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? _____ P _____

Comment **Inspection #702800148 required Operator to comply with the 1003 interim reclamation rules. Establish total perennial, non-invasive uniform plant cover of at least eighty (80) percent of pre-disturbance or reference area levels by 11/15/2022. This corrective action remains applicable.**

Inspection #702800148 required Operator conduct weed management to prevent further establishment and spread of salt cedar by 9/15/2022. It was observed in this inspection that salt cedar plants were removed. It is unclear if the Operator has taken steps to prevent re-sprouting, via herbicide application. Ongoing weed management required until location passes final reclamation. Corrective action to conduct weed management has been addressed.

Corrective Action _____ Date _____

Overall Interim Reclamation **Fail**

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: Previous inspection #702800148 observed erosion degradation is evident throughout the interim areas of the Location. Inspector required Operator to comply with 1002.f by 5/24/2022. Operator submitted FIR Resolution #403051354 stating "Raked and seeded all erosion throughout location." It was observed in this inspection that areas of erosion on the Location appear raked. No control measures were observed to stabilize either the unprotected soil or the seed. Rill erosion was reoccurring in the same areas where it was previously observed, where raking and seeding had been implemented. Stormwater and sediment control measures are insufficient; erosion continues. Original corrective action and date remain applicable.

Corrective Action: **Comply with 1002.f.**

Date: 05/24/2022

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
403068881	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5771373
702800291	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5771372