

**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:

07/27/2022

Submitted Date:

07/29/2022

Document Number:

696203896**FIELD INSPECTION FORM**Loc ID: 467272 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:**

15 Number of Comments

8 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
Arthur, Denise		denise.arthur@state.co.us	
,		COGCC.inspections@caerus oilandgas.com	All Inspections
Arauza, Steven		steven.arauza@state.co.us	

**Inspected Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
467272	LOCATION	AC			-	ELU J14 FED-496 PAD	RI
467517	WELL	PA	02/12/2021		103-12386	ELU J14 FED 11B-14-496	RI

**General Comment:**

On 7/28/2022, Reclamation Specialist Trujillo inspected Caerus Piceance LLC's ELU A24-496 Pad location in Garfield County, Colorado.

This inspection is a followup to #696203714 and #696203781 to document compliance with the following corrective actions:

- Protection of Soils
- Signage
- Stormwater
- Good Housekeeping
- Spills / Spill reporting
- Plugging and abandonment

It was observed in this inspection that the Location remains out of compliance with COGCC Rules and Corrective Actions.

Refer to the "Location", "Stormwater" 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.

A follow up inspection on this site will be conducted to ensure the compliance issues have been corrected to comply with COGCC rules.

**Location**Overall Good: ☐

<b>Signs/Marker:</b>			
Type	WELLHEAD		
Comment:	<p>Previous inspection observed signage missing from wells on the Location. Inspection required Operator to comply with Rule 605.d</p> <p>It was observed in this inspection that signage remains missing from the wells. CA has not been addressed.</p>		
Corrective Action:	Install sign to comply with Rule 605.d.	Date:	07/24/2022
Type	TANK LABELS/PLACARDS		
Comment:	<p>Previous inspection observed signage/labeling missing at the tank battery facility, and the 3 tanks. It was unknown at time of inspection when tanks were installed; inspection notified Operator to ensure signage/labeling was installed within 60 days after installation of battery.</p> <p>It was observed in this inspection that signage and labeling have not been installed at tanks and facility; additional review of previous inspections shows that the tanks and facility have existed on the Location greater than 60 days.</p> <p>Operator has failed to implement signage and labeling at the facility and tanks.</p>		
Corrective Action:	Comply with 605.h	Date:	07/27/2022
Type	BATTERY		
Comment:	<p>Previous inspection observed signage/labeling missing at the tank battery facility, and the 3 tanks. It was unknown at time of inspection when tanks were installed; inspection notified Operator to ensure signage/labeling was installed within 60 days after installation of battery.</p> <p>It was observed in this inspection that signage and labeling have not been installed at tanks and facility; additional review of previous inspections shows that the tanks and facility have existed on the Location greater than 60 days.</p> <p>Operator has failed to implement signage and labeling at the facility and tanks.</p>		
Corrective Action:	Comply with 605.e	Date:	07/27/2022

Emergency Contact Number:

Comment:

Corrective Action:

Date: \_\_\_\_\_

**Good Housekeeping:**

Type	WEEDS		
Comment:	<p>Inspection #696203714 and #696203781 observed Undesirable Plant establishment on the Location. Inspection required Operator to comply with Rule 606.c and Rule 1002.c; ensure BMPs Best to prevent weed establishment and protect stockpiled soils are maintained per good engineering practices.</p> <p>It was observed in this inspection that weed management efforts appear to have been conducted- weeds appear to have been sprayed, and show signs of dying back.</p> <p>Continue to maintain BMPs to prevent further weed establishment on Location and stockpiled soils.</p>		
Corrective Action:		Date:	
Type	DEBRIS		

Comment:	Inspection #696203714 and #696203781 observed weed debris accumulation along the perimeter of the Location. Inspections required Operator to comply with Rule 606 and remove debris from the Location and properly dispose.  It was observed in this inspection that the weed debris along the perimeter of the Location has not been removed.  This CA has not been addressed and remains applicable.		
Corrective Action:	Comply with Rule 606	Date:	05/25/2022

Overall Good: ☐

<b>Spills:</b>				
Type	Area	Volume		
Other				
Comment:	Inspection #696203714 observed impacted materials due to drill cuttings spilled outside of containment, and that Operator failed to properly clean the spill.  Inspection required Operator to Provide analytical summary table comparing sample results for cuttings samples to Table 915-1 along with laboratory reports via a Form 4 Sundry to EPS Arauza.  No Form 4 Sundry with the required analytical summary has been submitted per the corrective action; corrective action remains applicable.			
Corrective Action:	Provide analytical summary table comparing sample results for cuttings samples to Table 915-1 along with laboratory reports via a Form 4 Sundry to EPS Arauza			Date: 05/25/2022
Other				
Comment:	Inspection #696203714 observed impacted materials due to drill cuttings spilled outside of containment.  Inspection #696203781 required Operator to document cleanup efforts and provide documentation of the cleanup attached to a Form 4.  No Form 4 Sundry with documentation of cleanup has been submitted per the corrective action; corrective action remains applicable.			
Corrective Action:	Provide documentation, attached to a Form 4, of cleanup per Rule 912.a(5). Specifically, provide demonstration of compliance within the impacted area(s) with Table 915-1, including complete documentation of soil sampling (soil location diagram, analytical summary table, complete lab reports).			Date: 07/24/2022

In Containment: No

Comment:

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

Yes/No			
Comment:			
Corrective Action:		Date:	

**Flaring:**

Type		
Comment:		
Corrective Action:		Date:

Inspected Facilities									
Facility ID:	467272	Type:	LOCATION	API Number: -	Status:	AC	Insp. Status:	RI	
Facility ID:	467517	Type:	WELL	API Number:	103-12386	Status:	PA	Insp. Status:	RI

**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 Fail

Comment \_\_\_\_\_

Inspection #696203714 and #696203781 observed that Operator has salvaged and placed topsoil along the perimeter of the Location, and utilized at the base of the fill slopes/subsoils of the Location as a berm and sediment trap/pond to manage stormwater (See "Stormwater"). Inspection required Operator to comply with Rule 1002.b and 1002.c.

It was observed in this inspection that BMPs to ensure topsoil remains properly segregated, and protected from mixing/contamination with subsoils, and from displacement due to stormwater discharge, remains missing or insufficient; utilization of topsoil as stormwater control measures does not comport with Rule 1002.b and 1002.c.

Corrective actions have not been addressed and remain applicable.

Corrective Action Comply with Rule 1002.b and 1002.cDate 06/18/20221002c. PROTECTION OF SOILS Fail

Comment \_\_\_\_\_

See "Soil removal and Segregation", and "Stormwater".

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? \_\_\_\_\_ 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 REVEGETATION**Cropland

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 Records show that as of 3/24/2022, all permitted wells on the Location have been drilled, or plugged. Pursuant to Rule 1003.b, interim reclamation of the Location is required within 6 months, no later than 9/24/2022. A follow up inspection will be conducted to determine compliance with 1003 Rules.

Corrective Action  Date \_\_\_\_\_

Overall Interim Reclamation

**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: Refer to Inspection #696203779 for corrective action regarding compliance with Rule 1004.a, for the ELU J14 FED #21C-14-496; this corrective action remains applicable.

Corrective Action: <input style="width: 600px;" type="text"/>						Date: <input style="width: 100px;" type="text"/>
Overall Final Reclamation		Well Release on Active Location <input type="checkbox"/>		Multi-Well Location <input type="checkbox"/>		
<b>Storm Water:</b>						
Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Comment: <input style="width: 500px;" type="text" value="See 'COGCC Comments'"/>						Date: 05/25/2022
Corrective Action: <span style="color: red;">Install or repair required BMPs per Rule 1002.f. Ensure control measures are adequate for the site's conditions, implemented in accordance with good engineering practices, and maintained in proper functioning condition.</span>						
<b>Pits:</b> <input type="checkbox"/> NO SURFACE INDICATION OF PIT						

<u>COGCC Comments</u>		
Comment	User	Date
<b>STORMWATER COMMENT</b>  Inspection #696203714 and #696203781 observed that control measures to minimize erosion/degradation at the slopes and soil stockpiles of the Location are missing or insufficient; Operator has utilized topsoil at the base of the fill slopes/subsoils of the Location as a berm and sediment trap/pond to manage stormwater; topsoil is not an appropriate material to construct stormwater control measures; topsoil is at risk of degradation/contamination, and loss/displacement due to stormwater discharge; use of topsoil as stormwater control measures does not comport with Rule 1002.b and 1002.c..  It was observed in this inspection that control measures to minimize erosion and degradation on the slopes and soil stockpiles of the Location remain missing or insufficient; topsoil stockpiles along perimeter remain bare and at risk to wind and water erosion; topsoil remains in use as a berm and sediment trap/pond to manage stormwater.  Corrective actions have not been addressed and remain applicable.	trujilloam	07/29/2022

**Attached Documents**

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

Document Num	Description	URL
403121994	INSPECTION SUBMITTED	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5816805">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5816805</a>
696203897	Inspection Photos	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5816799">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5816799</a>