

**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:

08/17/2022

Submitted Date:

08/26/2022

Document Number:

696203991**FIELD INSPECTION FORM**Loc ID 479149 Inspector Name: Trujillo, Aaron On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**OGCC Operator Number: 10456Name of Operator: CAERUS PICEANCE LLCAddress: 1001 17TH STREET #1600City: 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 Comments4 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

General Comment:

On 8/17/2022, Reclamation Specialist Trujillo inspected Caerus Piceance LLC's BJU B26-496 Pad location in Garfield County, Colorado.

This is also a follow-up inspection to #696203134, #696203716, #696203783 and #696203898, to document compliance for the following corrective actions:

- Stormwater
- Protection of topsoil
- Material spill/spill prevention

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

Refer to the "Location Construction", "Location" and "Reclamation" section 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: ☐**Signs/Marker:**

Type	OTHER		
Comment:	All materials/containers/etc... on site for use in drilling operations have been appropriately labeled to allow for identification.		
Corrective Action:		Date:	
Type	OTHER		
Comment:	Signage at Location entrance		
Corrective Action:		Date:	

Emergency Contact Number:

Comment:	970-285-2615 (Location Entrance)	
Corrective Action:		Date: _____

Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

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

Yes/No			
Comment:			
Corrective Action:		Date:	

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Location Construction

Location ID: 479149 CDP: _____

Comment: Copy of the approved Form 2A posted within company trailer per 406.cCorrective Action: Date: _____**Form 2A COAs:**Comment: Corrective Action: Date: _____**Wildlife BMPs:**Comment: Corrective Action: Date: _____**Stormwater:**

Erosion BMPs	Present	Other BMPs	Present
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		Covering Materials	No
Comments: Erosion BMPs:		A pallet with "Soltex additive" observed without proper covering, and appears to have been in contact with precipitation/stormwater.	
Other BMPs:		Operator on site was notified of issue at time of inspection.	
Corrective Action: Implement and maintain material covering BMPs to minimize contact of precipitation/stormwater.			Date: 09/02/2022
		Vehicle Tracking	No
Comments: Erosion BMPs:		Control measures to stabilize the working pad area, and to minimize vehicle tracking and sediment transport missing or insufficient.	
Other BMPs:		Controls, such as a "vehicle tracking pad" identified in Operator's 2A Stormwater Control Plan, and construction layout drawing not observed.	
Corrective Action: Comply with 1002.f and implement BMPs that minimizes erosion, transport of sediment offsite, and site degradation.			Date: 09/09/2022
Comments: Erosion BMPs:		(2) 6" Flec Pipes per Operator's 2A Stormwater Control Plan, and construction layout drawing not observed on southwest end of Location.	
Other BMPs:			
Corrective Action:			Date:
		Material Handling And Spill Prevention	No
Comments: Erosion BMPs:		<p>Previous inspections observed various materials and what appears to be cement spilled on the south end of the Location. Inspections required Operator to Clean spills and and implement/maintain BMPs.</p> <p>It was observed in this inspection that material spills remain evident on the south end of the Location, and the cement material observed on the pad surface appears to have mixed with stormwater and has hardened.</p> <p>Corrective action has not been addressed and remains applicable.</p>	
Other BMPs:			
Corrective Action: Clean spills and and implement/maintain BMPs per good engineering and spill prevention practices.			Date: 08/03/2022
Comments: Erosion BMPs:		Culvert(s) per Operator's 2A Stormwater Control Plan, and construction layout drawing not observed.	
Other BMPs:			
Corrective Action:			Date:
Comment:			
Corrective Action:			
Date:			

On Site Inspection (305):

Surface Owner Contact Information:

Name: _____ Address: _____

Phone Number: _____ Cell Phone: _____

Operator Rep. Contact Information:

Landman Name: _____ Phone Number: _____

Inspector Name: Trujillo, Aaron

Date Onsite Request Received: _____	Date of Rule 306 Consultation: _____
Request LGD Attendance: _____	
<u>LGD Contact Information:</u>	
Name: _____	Phone Number: _____
Agreed to Attend: _____	
<u>Summary of Landowner Issues:</u>	
<u>Summary of Operator Response to Landowner Issues:</u>	
<u>Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:</u>	

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

See "Comment #1".

Corrective Action

Comply with Rules 1002.b.(2), 1002.c and 1002.f; implement BMPs to stabilize/protect salvaged soils, and to ensure soil horizons remain properly segregated from separate soil horizons, and ensure stockpiled topsoil is not utilized as stormwater BMPs, and remain protected.

Date **09/10/2021**

1002c. PROTECTION OF SOILS _____ Fail

Comment

See "Comment #1"

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 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 Continuous drilling operations observed.

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: _____

Corrective Action: _____

Date _____

Overall Final Reclamation _____

Well Release on Active Location ☐

Multi-Well Location ☐

COGCC Comments

Comment	User	Date
<p>COMMENT #1</p> <p>Previous inspections observed that topsoil stockpiles have been placed in such a manner that the topsoil stockpiles are functioning as unconsolidated and inadequate stormwater controls; topsoil stockpiles incorporated as part of the sediment traps/ponds, as well as part of the stormwater diversion ditch/berm along the perimeter of the Location. Inspections also observed that the hydromulch applied to the topsoil stockpiles to protect/stabilize the soils was not maintained. Operator was notified that use of topsoil as a stormwater BMP puts the resource at risk of compaction, contamination due to mixing with sediment/subsoil, and at risk for loss due to stormwater discharge displacing the topsoil.</p> <p>It was observed in this inspection that the topsoil stockpiles along the perimeter of the Location remain improperly incorporated as part of the sediment traps/ponds, as well as part of the stormwater diversion ditch/berm along the perimeter. It was also observed that though vegetation is establishing along areas of berms, uniform vegetative stabilization has not been achieved, and hydromulch was observed to have not been maintained along many sections of the soil stockpiles. Protection of stockpiled soils remains insufficient.</p> <p>Previous inspections also observed that soil salvage of all topsoil appears inadequate, and that soils beneath fill material appeared to be topsoil. It was observed in this inspection that vegetation such as Scrub Oak, Lupine, etc.. is growing within soils beneath the fill material, and soils between the fill and the topsoil stockpiles, indicating that not all of the topsoil was segregated and stored during soil salvage operations.</p>	trujilloam	08/22/2022

Attached Documents

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

Document Num	Description	URL
696204000	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5840906