

**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:

05/02/2023

Submitted Date:

05/04/2023

Document Number:

702801492

FIELD INSPECTION FORM

Loc ID 335359 Inspector Name: O'Malley, Anna On-Site Inspection 2A Doc Num: _____

Status Summary:

- THIS IS A FOLLOW UP INSPECTION
- FOLLOW UP INSPECTION REQUIRED
- NO FOLLOW UP INSPECTION REQUIRED

Operator Information:

OGCC Operator Number: 10456
Name of Operator: CAERUS PICEANCE LLC
Address: 1001 17TH STREET #1600
City: DENVER State: CO Zip: 80202

Findings:

- 8 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@caerusoilandgas.com	All Inspections

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
257648	WELL	PR	05/01/2022	GW	045-07583	KELL 35-3	RI
257660	WELL	PR	10/13/2004	GW	045-07585	BENZEL 35-7 (C35)	RI
257665	WELL	PR	10/13/2004	GW	045-07589	KELL 35-6 (C35)	RI
273777	WELL	PR	03/05/2005	GW	045-10283	CRAIG 35-6A (C35)	RI
273779	WELL	PR	03/04/2005	GW	045-10284	CRAIG 35-5A (C35)	RI
274937	WELL	PR	03/22/2005	GW	045-13440	GMU 35-4A1(C35)	RI
335359	LOCATION	AC			-	KELL-66S93W 35NENW	RI

General Comment:

On 5/2/2023, Reclamation Specialist O'Malley and Compliance Specialist Ramsey conducted an interim reclamation and stormwater inspection at Caerus Piceance LLC's KELL-66S93W/35NENW Location #335359 in Garfield County, Colorado.

This is a follow-up to inspection #702801210. This inspection does not comment on the status of corrective actions in inspection #698100287. Corrective actions which have not been addressed remain applicable.

The following compliance issues were observed during this inspection:

- Dead horses
- Noxious weeds
- Cut slope and pad show signs of lack of stabilization

Refer to the "Location," "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.

Location

Overall Good:

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Good Housekeeping:

Type	OTHER		
Comment:	Two dead horses observed on pad. Original corrective action and date from inspection #698100287 remain applicable. Inspection performed before corrective action date.		
Corrective Action:	Comply with Rule 606.	Date:	05/19/2023
Type	WEEDS		
Comment:	List B noxious thistle rosettes observed near wellheads. Original corrective action from inspection #698100287 remains applicable. Ongoing weed management required until location passes final reclamation.		
Corrective Action:	Comply with Rule 606	Date:	05/03/2023

Overall Good:

Spills:

Type	Area	Volume		

In Containment: No

Comment:

Multiple Spills and Releases?

Equipment:

Type: Flow Line	#		corrective date
Comment:	Flowlines risers associated with well API #045-07584 not observed. Per F42 #403373920 and #403357475 risers were removed. Flowline removed per F42 #403144247. Corrective action from inspection #702801210 has been addressed.		
Corrective Action:		Date:	

Venting:

Yes/No			
Comment:			
Corrective Action:		Date:	

Flaring:

Type			
Comment:			
Corrective Action:		Date:	

Inspected Facilities

Facility ID: <u>257648</u>	Type: <u>WELL</u>	API Number: <u>045-07583</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>257660</u>	Type: <u>WELL</u>	API Number: <u>045-07585</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>257665</u>	Type: <u>WELL</u>	API Number: <u>045-07589</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>273777</u>	Type: <u>WELL</u>	API Number: <u>045-10283</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>273779</u>	Type: <u>WELL</u>	API Number: <u>045-10284</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>274937</u>	Type: <u>WELL</u>	API Number: <u>045-13440</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>335359</u>	Type: <u>LOCATION</u>	API Number: <u>-</u>	Status: <u>AC</u>	Insp. Status: <u>RI</u>

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 SEGREGATION _____

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? _____

Comment _____

Corrective Action _____

Date _____

1003b. Area no longer in use? Pass Production areas stabilized ? Fail
 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? In
 Production areas have been stabilized? Pass Segregated soils have been replaced? _____

RESTORATION AND REVEGETATION

Cropland

Top soil replaced _____ Recontoured _____ Perennial forage re-established _____

Non-Cropland

Top soil replaced _____ Recontoured Pass 80% Revegetation In

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? F

Comment List B noxious thistles present. Refer to the "Location" section for weed control corrective action.

Areas of the location not needed for production have been reduced and reclaimed. Interim areas appear vegetated with sparse introduced perennial grasses. It is unclear if interim areas are progressing towards 1003 requirements due to heavy livestock grazing (livestock are no longer present at this time). A follow up inspection will be necessary to assess perennial grass cover once the growing season progresses and grasses mature. However, portions of the location interim areas, particularly slopes to the north are impacted by erosion degradation. Refer to the "Stormwater" section.

Corrective Action Date _____

Overall Interim Reclamation

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
Sediment Traps						
Ditches						
Gravel		Gravel				
Seeding						
Compaction		Compaction				
Berms						
Hydro Mulch						Evidence of old hydromulch

Comment: It was observed in this inspection that the BMPs to stabilize the site are missing/insufficient:
 - The southern portion of the working pad is showing signs of lack of stabilization (ruts)
 - The cut slope at the north of the location is showing signs of degradation; rill erosion is occurring. Stabilizing vegetation on the slope is pedestaled, with exposed roots, or uprooted completely. Widespread hoof impact is causing disturbance to soils and destabilizing the slope. Slope is largely bare and unprotected.

 Corrective action and date from inspection #702801210 and #698100287 remain applicable.

Corrective Action: Install or repair required BMPs per Rule 1002.f. Continue to monitor and manage stormwater on the Location. Ongoing stormwater management is required until the site receives a passing final inspection.

Date: 02/04/2023

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
403394793	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6104995
702801493	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6104990