

FORM
INSPRev
X/20

State of Colorado Oil and Gas Conservation Commission

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Phone: (303) 894-2100 Fax: (303) 894-2109



Inspection Date:

05/23/2023

Submitted Date:

05/24/2023

Document Number:

696204985

FIELD INSPECTION FORM

Loc ID 312399 Inspector Name: Trujillo, Aaron 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:

- 4 Number of Comments
2 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
221497	WELL	PA	07/16/2009	DA	077-08098	MILHOLLAND 25-1	RI
312399	LOCATION	CL			-	MILHOLLAND-610S96W 25SWSE	RI

General Comment:

On 5/23/2023, Reclamation Specialist Trujillo conducted a final reclamation inspection at Caerus Piceance LLC's Milholland 25-1 location in Mesa County, Colorado.

The following compliance issues were observed during this inspection:

- Final Reclamation
- Stormwater

Refer to the "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.

Inspected Facilities

Facility ID: 221497 Type: WELL API Number: 077-08098 Status: PA Insp. Status: RI

Facility ID: 312399 Type: LOCATION API Number: - Status: CL Insp. Status: RI

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? _____

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

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 **Fail** _____

Non cropland: Revegetated 80% **Fail** _____ 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:

Location received a 502.b SOVR on 9/9/2020 (#401598627) to waive select requirements of rule 1004.a & 1004.d regarding Location and access road. Pursuant to Conditions of Approval #1 attached to the variance, Operator is required to stabilize, and establish 80% vegetation cover of reference areas at the cut slope.

It was observed in this inspection that vegetation on the cut slope is not progressing towards a uniform vegetative cover; slopes lack stabilization and are predominantly bare and exposed soils. Erosion degradation observed. Additional reclamation required at cut slopes of the Location.

Corrective Action: **Comply with Form 4 #401598627 Conditions and conduct additional reclamation at the cut slopes.**

Date **07/24/2023**

Overall Final Reclamation **Fail** 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: Location received a 502.b SOVR on 9/9/2020 (#401598627) to waive select requirements of rule 1004.a & 1004.d regarding Location and access road. Pursuant to Conditions of Approval #4 attached to the variance, Operator is required to continue to monitor and manage the site for erosion until final reclamation is passed.

It was observed in this inspection that the Location is out of compliance with COGCC Stormwater, and Form 4 requirements; slopes lack stabilization and are predominantly bare and exposed soils; Erosion degradation observed.

Corrective Action: **Comply with Rule 1002.f and Form 4 Condition requirements: Install or repair required stormwater and erosion control BMP to stabilize the cut slopes, and to manage runoff in such a manner that minimizes erosion, degradation and sediment transport. Ensure BMPs are installed in accordance with good engineering requirements, and maintained in proper functioning condition.**

Date: **05/27/2023**

Temporary stormwater controls are required until additional reclamation efforts at the cut slopes have been completed, at which point additional BMPs are required to manage runoff, and to stabilize the slopes, and the seeded soils, until long-term stabilization has been achieved. Continue to monitor and manage Location for stormwater until final reclamation has passed.

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
696204986	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6124538