

**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:

06/28/2023

Submitted Date:

07/05/2023

Document Number:

696205071

FIELD INSPECTION FORM

Loc ID 458475 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:

- 17 Number of Comments
- 6 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
458463	WELL	PR	07/28/2020	GW	045-24168	ELU A24 Fed 15C-13-496	RI
458465	WELL	PR	07/28/2020	GW	045-24170	Fed 24C-14-496	RI
458466	WELL	PR	08/29/2019	GW	045-24171	Fed 14A-13-496	RI
458467	WELL	PR	08/12/2020	GW	045-24172	Fed 11A-24-496	RI
458468	WELL	PR	06/25/2020	GW	045-24173	Fed 24A-14-496	RI
458469	WELL	PR	07/28/2020	GW	045-24174	ELU A24 Fed 15D-13-496	RI
458470	WELL	PR	07/28/2020	GW	045-24175	Fed 24D-14-496	RI
458471	WELL	PR	10/27/2020	GW	045-24176	Fed 11D-24-496	RI
458472	WELL	PR	10/27/2020	GW	045-24177	Fed 11C-24-496	RI
458473	WELL	PR	10/27/2020	GW	045-24178	Fed 21A-23-496	RI
458474	WELL	PR	11/03/2020	GW	045-24179	Fed 12A-24-496	RI
458475	LOCATION	AC			-	ELU A24-496 Pad	RI
458476	WELL	PR	08/29/2019	GW	045-24180	Fed 13D-13-496	RI
458477	WELL	PR	12/01/2021	GW	045-24181	Fed 24B-14-496	RI
458478	WELL	PR	08/12/2020	GW	045-24182	Fed 11B-24-496	RI
458479	WELL	PR	08/12/2020	GW	045-24183	Fed 25A-14-496	RI
458481	WELL	PR	11/01/2020	GW	045-24185	Fed 21B-23-496	RI
458482	WELL	PR	06/25/2020	GW	045-24186	Fed 15A-13-496	RI
458483	WELL	PR	10/27/2020	GW	045-24187	Fed 25C-14-496	RI
458485	WELL	PR	08/29/2019	GW	045-24189	Fed 14C-13-496	RI
458486	WELL	PR	08/12/2020	GW	045-24190	Fed 25B-14-496	RI

458487	WELL	PR	06/01/2020	GW	045-24191	Fed 23D-14-496	RI
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General Comment:

On 6/28/2023, Reclamation Specialist Trujillo inspected Caerus Piceance LLC's ELU A24-496 Pad location in Garfield County, Colorado.

This inspection is a followup to #696203710 and 696203777 to document compliance with the following corrective actions:

- 912.a- Spill clean up
- Good Housekeeping
- Protection of topsoil
- Interim Reclamation

It was observed that these corrective actions have been resolved.

Gas-lift equipment observed in operation during inspection.

The following new compliance issues were observed during this inspection:

- Signage
- Labeling
- Storage of Unused equipment
- Uncovered lines / OOSLAT
- Stained soils
- Spill prevention/containment

Refer to the "Location" 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: <input type="checkbox"/>			
Signs/Marker:			
Type	CONTAINERS		
Comment:	Methanol tanks		
Corrective Action:		Date:	
Type	TANK LABELS/PLACARDS		
Comment:	"Produced water" tank observed stored on the east end of the Location missing required labeling information. Tank also appears to be unused, or not necessary for production.		
Corrective Action:	Comply with Rule 605.h. If tank is unused, or not necessary for production, Operator shall comply with Rule 606. The "Date of Discovery" is being used as the corrective action date; Location will remain out of compliance until corrective action has been resolved.	Date:	06/28/2023
Type	TANK LABELS/PLACARDS		
Comment:	Tanks		
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:	Signage for the Fed 14A-13-496 (045-24171) observed to be in disrepair; sign has broken from the well and was observed partially buried at base of well.		
Corrective Action:	Comply with Rule 605.d and maintain sign. The "Date of Discovery" is being used as the corrective action date; Location will remain out of compliance until corrective action has been resolved.	Date:	06/28/2023
Emergency Contact Number:			
Comment:	970-285-2615 / 911		
Corrective Action:		Date:	_____
Good Housekeeping:			
Type	STORAGE OF SUPL		
Comment:	Various unused pipe equipment and fencing material observed stored throughout the Location.		
Corrective Action:	Comply with Rule 606. The "Date of Discovery" is being used as the corrective action date; Location will remain out of compliance until corrective action has been resolved.	Date:	06/18/2023
Overall Good: <input type="checkbox"/>			
Spills:			
Type	Area	Volume	
Comment:	Stained soils observed on the north end of the Location, and around separator equipment on the east end of the Location.		
Corrective Action:	Clean/remediate soils to Table 915-1 standards. The "Date of Discovery" is being used as the corrective action date; Location will remain out of compliance until corrective action has been resolved.		Date: 06/28/2023
In Containment: No			
Comment:	_____		
<input checked="" type="checkbox"/> Multiple Spills and Releases?			
Fencing/:			
Type	SEPARATOR		

Comment:	Jersey barriers		
Corrective Action:		Date:	
Type	LOCATION		
Comment:	Interim areas. 3-strand smooth wire. Appears to be electrified. There are areas on the east end of the Location where fence has been pushed over. Maintenance advised.		
Corrective Action:		Date:	

Equipment:			corrective date
Type:	#		
Comment:	Lines/Pipe at separator equipment not properly capped.		
Corrective Action:	Properly cap exposed lines and comply with OOSLAT requirements. The "Date of Discovery" is being used as the corrective action date; Location will remain out of compliance until corrective action has been resolved.	Date:	06/28/2023

Venting:			
Yes/No			
Comment:			
Corrective Action:		Date:	

Flaring:			
Type			
Comment:			
Corrective Action:		Date:	

Inspected Facilities

Facility ID: <u>458463</u>	Type: <u>WELL</u>	API Number: <u>045-24168</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>458465</u>	Type: <u>WELL</u>	API Number: <u>045-24170</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>458466</u>	Type: <u>WELL</u>	API Number: <u>045-24171</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>458467</u>	Type: <u>WELL</u>	API Number: <u>045-24172</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>458468</u>	Type: <u>WELL</u>	API Number: <u>045-24173</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>458469</u>	Type: <u>WELL</u>	API Number: <u>045-24174</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>458470</u>	Type: <u>WELL</u>	API Number: <u>045-24175</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>458471</u>	Type: <u>WELL</u>	API Number: <u>045-24176</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>458472</u>	Type: <u>WELL</u>	API Number: <u>045-24177</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>458473</u>	Type: <u>WELL</u>	API Number: <u>045-24178</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>458474</u>	Type: <u>WELL</u>	API Number: <u>045-24179</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>458475</u>	Type: <u>LOCATION</u>	API Number: <u>-</u>	Status: <u>AC</u>	Insp. Status: <u>RI</u>
Facility ID: <u>458476</u>	Type: <u>WELL</u>	API Number: <u>045-24180</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>458477</u>	Type: <u>WELL</u>	API Number: <u>045-24181</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>458478</u>	Type: <u>WELL</u>	API Number: <u>045-24182</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>458479</u>	Type: <u>WELL</u>	API Number: <u>045-24183</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>458481</u>	Type: <u>WELL</u>	API Number: <u>045-24185</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>458482</u>	Type: <u>WELL</u>	API Number: <u>045-24186</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>458483</u>	Type: <u>WELL</u>	API Number: <u>045-24187</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>

Inspector Name: Trujillo, Aaron

Facility ID: 458485	Type: WELL	API Number: 045-24189	Status: PR	Insp. Status: RI
Facility ID: 458486	Type: WELL	API Number: 045-24190	Status: PR	Insp. Status: RI
Facility ID: 458487	Type: WELL	API Number: 045-24191	Status: PR	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 _____

Comment _____

Corrective Action _____

Date _____

1002c. PROTECTION OF SOILS In Process

Comment Previous inspections observed that BMPs to protect the stockpiles remain missing or insufficient; much of the top of the stockpiles remain bare and exposed, or vegetated by Undesirable Weedy Plant Species such as Russian thistle, cheatgrass, etc... Inspections required Operator to comply with Rule 1002.c and implement BMPs to protect soil stockpiles by 5/24/2022.
It was observed in this inspection that stockpiled soils have been replaced during interim reclamation, and that the overall status of the reclamation is "in process". This CA has been addressed.

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 ? Pass

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? Pass

RESTORATION AND REVEGETATION

Cropland

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

Non-Cropland

Top soil replaced Pass 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? _____ I _____

Comment

Previous inspections observed that the Location was out of compliance iwth 1003 rules.

It was observed in this inspection that interim reclamation activities have been performed; this corrective action has been resolved.

The overall status of interim reclamation is "in process". Vegetation observed appears to be predominantly annual triticum species commonly used as a cover crop. Undesirable Plant Species not observed at time of inspection. Continue to monitor and manage reclamation areas.

Corrective Action

Date _____

Overall Interim Reclamation In Process

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

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
				Material Handling And Spill Prevention		Porta-johns
				Material Handling And Spill Prevention		Produced water tank

Comment: It was observed in this inspection that BMPs to prevent or contain a spill were missing, or insufficient at the produced water tank stored on the east end of the Location, and the porta-john on the west end of the Location.

Corrective Action: Comply with Rules 1002.f and 902. The "Date of Discovery" is being used as the corrective action date; Location will remain out of compliance until corrective action has been resolved.

Date: 06/28/2023

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
696205072	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6170226