

**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:

11/14/2023

Submitted Date:

11/16/2023

Document Number:

696205419

FIELD INSPECTION FORMLoc ID 485124 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:

12 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
Noto, John		john.noto@state.co.us	
,		COGCC.inspections@caerus oilandgas.com	All Inspections
Roberts, James		j75rober@blm.gov	Rio Blanco, Moffat

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
485123	LOCATION	AC			-	PCU FED A27-197 CDP	CI
485124	LOCATION	AC	09/18/2023		-	PCU FED B27-197	CI

General Comment:

On 11/14/2023, Reclamation Specialist Trujillo conducted a stormwater and construction inspection for access roads leading to Caerus Piceance LLC's PCU Fed B27-197 and A27-197 CDP locations in Rio Blanco County, Colorado.

At time of inspection, no OGD or Form 2A Location permits have been approved for the Locations; Pursuant to Commission Order 1-328, Operator was granted a variance from Rules 303, 304, 306 and 307 to construct the access roads prior in advance of the OGD being heard or approved.

It was observed that construction activities were in process. Dry and windy conditions existed at time of inspection.

The following compliance issues were observed during this inspection:

- Fugitive dust.
- BMP maintenance

Refer to the "Construction" 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; The "Date of Discovery" is being provided as the corrective action date for all new observed compliance issues. Location will remain out of compliance until corrective action(s) has(have) been resolved and a follow up inspection will be conducted to ensure the compliance issues have been corrected to comply with ECMC rules.

LocationOverall Good: ☐**Signs/Marker:**

Type OTHER

Comment: OGDG and Form 2As have not been approved, therefore permit information is unavailable to comport with Rule 406.d.

Two Form 4 sundries (#403557567, #403557404) related to a variance permitting the construction of the access roads are currently "in process"; Upon approval, the Form 4s and documents attached will require posting until the OGDG and Location Permits have been approved; at which point a copy of the approved Form 2A, and any Form 4 modifying the approved Form 2A, will also be required.

Corrective Action:

Date:

Type OTHER

Comment: Signage for the two Locations have been posted at the entrance of the access road pursuant to 406.d.

Corrective Action:

Date:

Emergency Contact Number:

Comment:

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: 485124

CDP: _____

Comment: Due to safety reasons related to construction activities, Reclamation Specialist was unable to access the total length of the disturbance for both the access road within the drainage, and on top of the ridge. A followup inspection will be performed at a later date.

Corrective Action:

Date: _____

Form 2A COAs:

Comment: 2As for the two Locations have not yet been approved.

Corrective Action:

Date: _____

Wildlife BMPs:**Comment:** Corrective Action: **Date:** **Stormwater:**

Erosion BMPs	Present	Other BMPs	Present

Comments: Erosion BMPs: Access road construction in process. Fill slopes along road will require stabilization measures upon completion.

Other BMPs: Fugitive dust control measures required.

Corrective Action: Date:

	Yes		
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Comments: Erosion BMPs: Erosion logs (straw wattles) implemented on both sides of the access road during construction activities. There are areas where soils have been pushed over the control measure. Maintenance required.

Other BMPs:

Corrective Action: Comply with Rule 1002.f; install or repair required stormwater and erosion control measures in accordance with good engineering practices.

Date: 11/14/2023

	No		
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Comments: Erosion BMPs: Fugitive dust issues observed during construction activities. Soils observed along the roads were very loose and powdery. BMPs and active measures, such as application of fresh water, were not observed during dry and windy conditions, as indicated by Operator's "Dust Mitigation Plan".

Other BMPs:

Corrective Action: Comply with Rule 1002.f: Implement and maintain fugitive dust control measures.

Date: 11/14/2023

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: Date Onsite Request Received: Date of Rule 306 Consultation: Request LGD Attendance: LGD Contact Information:Name: Phone Number: Agreed to Attend: Summary of Landowner Issues:Summary of Operator Response to Landowner Issues:

Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:	

Inspected Facilities									
Facility ID:	<u>485123</u>	Type:	<u>LOCATION</u>	API Number:	<u>-</u>	Status:	<u>AC</u>	Insp. Status:	<u>CI</u>
Facility ID:	<u>485124</u>	Type:	<u>LOCATION</u>	API Number:	<u>-</u>	Status:	<u>AC</u>	Insp. Status:	<u>CI</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 _____ In _____

Comment _____

Topsoil pit conducted within the drainage area of the access road. Very little change in color from surface to 15" BLG; roots observed were more dense/abundant within 0-6 inches. Soilweb states soils within the drainage areas of the road are a "Barcus channery Loam Sand", with an "A" horizon from 0-6 inches, and C horizons from 6-60 inches; this is consistent with observations made within the field. Soils within the C horizon are also noted to be "very friable".

Corrective Action _____

Date _____

1002c. PROTECTION OF SOILS _____ Fail _____

Comment _____

Soils observed are loose and at risk to wind erosion; fugitive dust observed. See "Stormwater" under the "Location Construction" section of this report.

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 _____

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 ☐

Attached Documents

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

Document Num	Description	URL
403598846	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6326056
696205420	Example of Fugitive Dust issues Observed	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6326043
696205421	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6326046