

**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:

02/05/2024

Submitted Date:

02/08/2024

Document Number:

696205598**FIELD INSPECTION FORM**Loc ID 335780 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:8 Number of Comments3 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
270319	WELL	PR	03/01/2019	GW	045-09528	CHEVRON 24D-17D	RI
270320	WELL	PR	03/01/2019	GW	045-09529	CHEVRON 24B-17D	RI
274732	WELL	PR	03/01/2019	GW	045-13380	CHEVRON 13D-17D	RI
274913	WELL	PR	03/01/2019	GW	045-13429	CHEVRON 14A-17D	RI
274915	WELL	PR	03/01/2019	GW	045-13430	CHEVRON 14D-17D	RI
335780	LOCATION	AC			-	CHEVRON-66S96W 17SESW	RI

General Comment:

On 2/5/2024, Reclamation Specialist Trujillo inspected Caerus Piceance LLC's CHEVRON-66S96W/17SESW Location in Garfield County, Colorado.

The following compliance issues were observed during this inspection:

-Stormwater

-Secondary containment liner integrity.

Stormwater and containment integrity corrective actions identified within Inspection Nos. 696204752, 696204788 remain outstanding

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 inspection that have not been addressed are still applicable.

Location

Overall Good: ☐

Signs/Marker:

Type	TANK LABELS/PLACARDS		
Comment:			
Corrective Action:		Date:	
Type	BATTERY		
Comment:			
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:			
Corrective Action:		Date:	

Emergency Contact Number:

Comment: 970-285-2615 / 911

Corrective Action:

Date:

Overall Good: ☐

Spills:

Type	Area	Volume		
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In Containment: No

Comment:

☐ Multiple Spills and Releases?

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS	
OTHER	1	300 BBLS	STEEL AST		,	
Comment:						
Corrective Action:					Date:	

Paint

Condition		
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Other (Content) Produced water / condensate mix

Other (Capacity)

Other (Type)

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal				Inadequate

Date Run: 2/15/2024 Doc [#696205598]

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Comment:	<p>Inspection #696204752 observed that the secondary containment at the battery facility was not sufficiently impervious to contain a spill or release; various holes/tears observed throughout the liner.</p> <p>Inspection required Operator to maintain BMP to ensure containment is sufficiently impervious to contain a spill or release by 4/8/2023.</p> <p>Operator submitted Resolution #403504698 stating "CA Completed".</p> <p>It was observed in this inspection the corrective action has not been addressed; various holes/tears remain throughout the liner of the containment measure.</p> <p>This CA remains applicable.</p>		
Corrective Action:	Maintain BMP to ensure containment is sufficiently impervious to contain spill or release.	Date:	
<u>Venting:</u>			
Yes/No			
Comment:			
Corrective Action:		Date:	
<u>Flaring:</u>			
Type			
Comment:			
Corrective Action:		Date:	

Inspected Facilities									
Facility ID:	<u>270319</u>	Type:	<u>WELL</u>	API Number:	<u>045-09528</u>	Status:	<u>PR</u>	Insp. Status:	<u>RI</u>
Facility ID:	<u>270320</u>	Type:	<u>WELL</u>	API Number:	<u>045-09529</u>	Status:	<u>PR</u>	Insp. Status:	<u>RI</u>
Facility ID:	<u>274732</u>	Type:	<u>WELL</u>	API Number:	<u>045-13380</u>	Status:	<u>PR</u>	Insp. Status:	<u>RI</u>
Facility ID:	<u>274913</u>	Type:	<u>WELL</u>	API Number:	<u>045-13429</u>	Status:	<u>PR</u>	Insp. Status:	<u>RI</u>
Facility ID:	<u>274915</u>	Type:	<u>WELL</u>	API Number:	<u>045-13430</u>	Status:	<u>PR</u>	Insp. Status:	<u>RI</u>
Facility ID:	<u>335780</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? _____

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 ? 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? _____
- Production areas have been stabilized? Fail 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 See "COGCC Comments" at the end of this report.

Corrective Action Areas of erosion/degradation due to runoff from the working pad, onto the interim slopes of the Location, require repairing, stabilization and reclamation as necessary to meet 1003 standards.

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
Comment: See "COGCC Comments" at the end of this report.						Date: _____
Corrective Action: Install or repair required BMPs per Rule 1002.f.						
Pits: <input type="checkbox"/> NO SURFACE INDICATION OF PIT						

COGCC Comments		
Comment	User	Date
<p>STORMWATER COMMENT</p> <p>Inspection Nos. 696204752 and 696204788 observed that BMPs to minimize erosion, degradation, tracking and sediment transport are missing or insufficient on the Location:</p> <p>-Working pad and access road lack stabilization; degradation, tracking and sediment transport apparent.</p> <p>-Stormwater ponding on the east end of the working pad resulted in failure at the berm and erosion degradation and sediment transport to the eastern interim areas of the Location; Location has not been constructed with an engineered outlet to allow for proper stormwater discharge from the Location.</p> <p>-The sediment trap on the west end of the Location has not been installed or maintained in accordance with good engineering practices; BMP has filled with sediment; degradation observed at the outlet; outlet does not appear to have been constructed in accordance with good engineering practices; geotextile lining not observed beneath armoring. Stormwater has "blown out" areas of the sediment trap resulting in runoff onto the working pad area and sediment deposition.</p> <p>Inspections required Operator to Install or repair required BMPs per Rule 1002.f. by 3/11/2023.</p> <p>Operator submitted Resolution Nos. 403366480, 403366464, 403373612, and 403415913 stating corrective actions have been completed.</p> <p>It was observed in this inspection that the Location remains out of compliance with Rule 1002.f.: BMPs to manage runoff in a manner that minimizes erosion, degradation and sediment transport have not been installed, repaired or maintained per good engineering practices:</p> <p>-It appears that, in lieu of installing an engineered outlet to allow for proper stormwater discharge from the Location, Operator has repaired the berm along the east end of the Location. This has resulted in continued stormwater ponding on the Location, as well as the destabilization/degradation of the working pad surface.</p> <p>-BMPs to stabilize the working pad surface, and to minimize tracking and sediment transport have not been maintained in proper functioning condition; degradation to the working pad surface has recurred.</p> <p>-Unable to find evidence of work to repair/maintain the sediment trap on the west end of the Location. BMP remains filled with sediment and not in proper functioning condition. Erosion degradation has persisted at the outlet; armoring remains in disrepair and geotextile lining in conjunction with the rip-rap material, per good engineering practice, not observed</p> <p>Corrective Action from FIR Nos. 696204752 and 696204788 remain applicable.</p>	trujilloam	02/08/2024

RECLAMATION COMMENT Inspection #696204788 documented that stormwater runoff from the pad has resulted in erosion degradation to the interim slopes on the east end of the Location. Inspection required that the areas of erosion/degradation due to runoff from the working pad, onto the interim slopes of the Location, require repairing, stabilization and reclamation as necessary to meet 1003 standards. Operator submitted Resolution #403373612 stating the corrective action has been completed; based on Operator's comments within the FIRR, this did not appear to be correct and the FIRR was "not approved". It was observed in this inspection that the degradation on the slopes of the Location remain apparent. Unable to find evidence that work to repair, stabilize and reclaim the areas degraded due to runoff have been performed. This CA remains applicable.	trujilloam	02/08/2024	
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Attached Documents

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

Document Num	Description	URL
403681434	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6423175
696205599	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6423167