

**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:

05/30/2024

Submitted Date:

06/10/2024

Document Number:

696205850

FIELD INSPECTION FORMLoc ID 335928 Inspector Name: Trujillo, Aaron On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**

ECMC 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:

9 Number of Comments

4 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
335928	LOCATION	AC			-	SG E34 496	RI

General Comment:

On 5/30/2024 Reclamation Specialist Trujillo conducted an inspection at Caerus Piceance LLC's SG/E34 496 Location in Garfield County, Colorado.

This inspection is a follow-up to #696205192 to document compliance with the following corrective actions:

- Signage
- Weeds

This inspection is also in response to Resolution Nos. 403546856 and 403535644 stating corrective actions complete; it was observed in this inspection that the corrective actions have been resolved.

The following new compliance issues were observed during this inspection:

- Stormwater
- Tank signage
- Tanks missing cap/plug
- Sanitary facility not secured

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: <input type="checkbox"/>				
Signs/Marker:				
Type				
Comment:		A new battery facility observed installed on the south end of the Location. Signage at facility and tanks not observed.		
Corrective Action:		Comply with 605 rules.		Date: 07/10/2024
Emergency Contact Number:				
Comment:				
Corrective Action:				Date: _____
Overall Good: <input checked="" type="checkbox"/>				
Spills:				
Type	Area	Volume		
In Containment: No				
Comment:				
<input type="checkbox"/> Multiple Spills and Releases?				
Equipment:				
Type:		#		corrective date
Comment:		Sanitary facility (portajohn) on Location has not been physically secured.		
Corrective Action:		Comply with 603.m		Date: 06/25/2024
Type:		#		
Comment:		Lines at tanks observed missing required cap/plug.		
Corrective Action:		Comply with 603.i		Date: 06/25/2024
Venting:				
Yes/No				
Comment:				
Corrective Action:				Date:
Flaring:				
Type				
Comment:				
Corrective Action:				Date:

Inspected Facilities									
Facility ID:	335928	Type:	LOCATION	API Number:	-	Status:	AC	Insp. Status:	RI
The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12									

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 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 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? _____ I _____

Comment [See "COGCC Comments" at the end of this report.](#)

Corrective Action **Submit, attached to a Form 4, an updated layout of the Location, both in its current phase and post interim reclamation. Include information such as topsoil stockpile locations and an update regarding facilities (temporary and permanent) on site.**

Date **07/10/2024**

Overall Interim Reclamation**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
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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.](#)

Corrective Action:

Date: _____

Pits: ☐ NO SURFACE INDICATION OF PIT

Permit:	Facility ID	Permit Num	Expiration Date
	414551	1630971	
	414551	1630971	

ECMC Comments

Comment	User	Date
<p>RECLAMATION</p> <p>Per F42 403533013, construction activities commenced 9/20/2023 to modify the Location to accommodate frac support for the NPM M33-496 well pad. Per Form 4 #403434572, temporary equipment will be installed on the Location</p> <p>Working pad surface appears to have been expanded further south with additional tanks and facilities installed within these areas. It is unclear what equipment is considered temporary as indicated within Form 4 #403434572, or permanent.</p> <p>Soils have been stockpiled along the south end of the Location, and an additional berm runs along the south and west sides of the WPS- it is unclear if this berm is the topsoil stockpile salvaged during additional construction activities, as subsoil material appears to have been mixed within.</p> <p>Per the F42, Caerus was to submit a Form 4 with an updated construction layout. Unable to find a Form 4 with an updated layout of the Location.</p>	trujilloam	06/10/2024
<p>STORMWATER</p> <p>No immediate stormwater runoff, erosion and degradation issues were observed during this inspection, however the following compliance concerns are being noted:</p> <p>-Cut slopes on the south end of the Location have been stabilized via compaction. Compaction is beginning to fail and erosion at the toe of the slopes is becoming evident. Advise maintenance or implementing additional BMPs prior to failure and destabilization/degradation.</p> <p>-A section of Erosion logs on the south end of the Location (Location entrance, west end along pipeline, east end near culvert) has not been backfilled per good engineering practice. Advise maintenance prior to failure and stormwater undercutting BMP.</p> <p>-A sediment trap has been constructed on the southeast end of the Location. The outlet leading from the working pad surface to the BMP has not been installed with armoring per good engineering practice. Stormwater would discharge directly onto the bare slopes to the trap, and will likely result in to erosion, degradation and sediment transport. Advise maintenance prior to erosion issues and to ensure BMP is adequate to minimize erosion, degradation and sediment transport.</p>	trujilloam	06/10/2024

Attached Documents

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

Document Num	Description	URL
696205851	Inspection Photos	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6581187