

**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:

03/17/2025

Submitted Date:

03/19/2025

Document Number:

718100314

FIELD INSPECTION FORM

Loc ID 487650 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:

ECMC 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
- 3 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
		ecmc.inspections@qb-energy.com	

General Comment:

On 3/17/2025, Western Reclamation Work Lead Trujillo conducted a pre-drill, construction and stormwater inspection at Caerus Piceance LLC's ELU M12-496 location in Rio Blanco County, Colorado.

Limited inspection due to winter conditions.

At time of inspection, wells have not been permitted on this Location.

Location is Fee Surface / Fee Mineral

Location is within the following High Priority Habitats: Elk Production Area; Elk Winter Concentration Area; Mule Deer Migration Corridor; Greater Sage Grouse Priority Habitat Management Area; Mule Deer Migration Corridor; Mule Deer Winter Concentration Area;

The following compliance issues were observed during this inspection:

- Signage and Permit posting requirements
- Stormwater

Refer to the Location Construction 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 inspection that have not been addressed are still applicable.

Location

Overall Good:

Signs/Marker:			
Type	OTHER		
Comment:	A copy of the approved Form 2A, and any Form 4 modifying the approved Form 2A, has not been posted in a protected and conspicuous place on the Location. A PVC tube at sign along access road appears to be intended for the permit; tube was empty at time of inspection.		
Corrective Action:	Comply with Rule 406.c.	Date:	
	No CA date is being provided as Rules require that the Form 2A to be posted and on-site at all times upon the commencement of operations, until interim reclamation is complete.		
Type	OTHER		
Comment:	Only signage in place is currently Located at access road intersection. Sign is currently blown over. Signage will need to be placed at the Location entrance, in addition to intersection, to comply with Rule 605.a and 406.d requirements.		
Corrective Action:	Comply with 605 and 406 signage requirements.	Date:	04/19/2025

Emergency Contact Number:

Comment:	970-285-2615 / 911	Date:	
Corrective Action:		Date:	

Overall Good:

Spills:			
Type	Area	Volume	

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: 487650 CDP: _____

Comment:

Corrective Action: Date: _____

Form 2A COAs:

Comment:

Corrective Action: _____ Date: _____

Wildlife BMPs:

Comment: _____

Corrective Action: _____ Date: _____

Stormwater:

Erosion BMPs	Present	Other BMPs	Present

Comments: Erosion BMPs: Pursuant to the Form 2A permitted Layout Drawing and SWMP, multiple culverts and sediment traps were to be installed along the access road leading to the Location.
 Unable to determine if BMPs were installed due to snow cover at time of inspection. A follow-up inspection will be conducted to determine compliance with Location's Form 2A.

Other BMPs: _____

Corrective Action: _____ Date: _____

BERMS	Yes		

Comments: Erosion BMPs: Earthen berms constructed along the perimeter of the working pad surface.

Other BMPs: _____

Corrective Action: _____ Date: _____

WADDLES	Yes		

Comments: Erosion BMPs: Erosion Logs
 Apparent along access road, and perimeter of the Location's disturbance.

Other BMPs: _____

Corrective Action: _____ Date: _____

BERMS	Yes		

Comments: Erosion BMPs: Earthen berms constructed along the northern and eastern perimeter of the Location. Berms appear to be designed in a manner that will divert runoff into the collection basins.

Other BMPs: _____

Corrective Action: _____ Date: _____

Comments: Erosion BMPs: Cut slopes covered in snow at time of inspection. Unclear if BMPs to minimize erosion and degradation have been implemented at the cut slopes.

Other BMPs: _____

Corrective Action: _____ Date: _____

			Yes

Comments: Erosion BMPs: Gravel/Road Base/Compaction.
 Working Pad Surface and access road.

Other BMPs: _____

Corrective Action: _____ Date: _____

RETENTION PONDS	Yes				
Comments: Erosion BMPs: "Stormwater Basins" constructed on the Northwest, North and Southeast ends of the Location's disturbance. A follow-up inspection will be conducted once conditions improve to evaluate volume/capacity of BMPs compared to the From 2A permitted Layout Drawing and SWMP. Other BMPs: <input style="width:100%;" type="text"/>					
Corrective Action:					Date:
WADDLES	Yes		Yes		
Comments: Erosion BMPs: Erosion logs have been installed along the toe/perimeter of the topsoil stockpile on the south end of the Location. Hydromulch also evident at slopes/stockpile. Other BMPs: <input style="width:100%;" type="text"/>					
Corrective Action:					Date:
		Vehicle Trakcing	No		
Comments: Erosion BMPs: Pursuant to the From 2A permitted Layout Drawing and SWMP, a "Vehicle Track Pad / Rumble Strip" is to be installed at both the Primary and Secondary Access Points of the Location. It was observed in this inspection that an engineered Vehicle Track Pad, or Rumble Strip VTC have not been installed at either Location entrance. Other BMPs: Due to a combination of snow cover on the Location, the fact that Operations are currently not "ongoing" at the Location, and expected vehicle traffic is minimal and/or not expected until Operations commence, a longer CA date is being provided. However, it is ECMC's expectation that the BMPs will be installed per good engineering practice prior to the commencement of further Operations and/or increased vehicle and equipment traffic at the Location.					
Corrective Action: Comply with Rule 1002.f, and the Form 2A permitted Layout Drawing and SWMP.					Date: 05/19/2025
					5
BMPs will be required by the CA date, or prior to the commencement of further Operations and/or increased vehicle and equipment traffic at the Location, whichever comes first.					

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: _____
<u>Summary of Landowner Issues:</u>		
<input type="text"/>		
<u>Summary of Operator Response to Landowner Issues:</u>		
<input type="text"/>		
<u>Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:</u>		
<input type="text"/>		

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 *Weather conditions prevented inspector from determining compliance with 1002.b requirements. A follow-up inspection will be conducted once conditions improve.*

Corrective Action _____

Date _____

1002c. PROTECTION OF SOILS _____ In Process _____

Comment *Erosion logs have been installed along the toe/perimeter of the topsoil stockpile on the south end of the Location.
Hydromulch also evident at slopes/stockpile.*

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

Pursuant to Form 2A 403598319, Operator has received a variance to Rule 406.e.(4) to allow for an additional 22 months to commence drilling operations following the setting of conductors on this location; and a variance to Rule 1003.b to delay interim reclamation on the location for 28 months following the setting of the last conductor.

Additional Financial Assurance of \$213,970 has been provided per the Delayed Interim Reclamation NTO.

No wells have been permitted on this Location at this time.

Corrective Action

Date

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

Attached Documents

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

Document Num	Description	URL
404134547	INSPECTION SUBMITTED	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6966648
718100315	Inspection Photos	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6966628