

**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:

03/25/2025

Submitted Date:

03/26/2025

Document Number:

718100384

FIELD INSPECTION FORMLoc ID: 335712 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

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
Roberts, James		j75rober@blm.gov	Rio Blanco, Moffat
Burchett, Kirby		kirby.burchett@state.co.us	
,		ecmc.inspections@qb-energy.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
274344	WELL	PR	09/01/2024	GW	103-10526	PICEANCE CREEK UNIT T35X-11G2	RI
335712	LOCATION	AC			-	PICEANCE CREEK UNIT-62S97W 11NESW	RI

General Comment:

On 3/26/2025, Western Reclamation Work Lead Trujillo conducted an interim reclamation and stormwater inspection at Caerus Piceance LLC's PICEANCE CREEK UNIT-62S97W/11NESW location in Rio Blanco County, Colorado.

Location is Fed Surface / Fed Minerals

Location is within the following High Priority Habitats: Mule Deer Migration Corridor; Mule Deer Severe Winter Range; Mule Dee Winter Concentration Area

The following compliance issues were observed during this inspection:

- Leak at wellhead
- Stained Soils

Refer to the Location, Reclamation and Stormwater sections of this inspection report for additional details.

Refer to the photo-documentation attached to this report.

Any corrective action(s) from previous inspection that have not been addressed are still applicable.

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

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

Emergency Contact Number:

Comment: 970-285-2615 / 911

Corrective Action:

Date: _____

Overall Good: ☐**Spills:**

Type	Area	Volume		
	WELLHEAD			
Comment:	Stained soils observed at the base of multiple wells on the Location. Slow leaks likely exists at wells.			
Corrective Action:	Securely fasten all valves, pipes, fittings, and Production Facilities to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 608.e. Control and contain spills/releases and clean up per Rule 912.a.			Date: 04/26/2025
	WELLHEAD			
Comment:	An audible hiss was detected from the PCU PCU 297-35-11 wellhead (05-103-10526); gas appears to be leaking from the well. Reclamation Specialist contacted Gas Control at approximately 14:33 hours to provide notice of the leak.			
Corrective Action:	Securely fasten all valves, pipes, fittings, and Production Facilities to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 608.e.			Date: 03/26/2025

In Containment: No

Comment:

☐ Multiple Spills and Releases?**Tanks and Berms:**

Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	1	400 BBLS	STEEL AST		,
Comment:					

Corrective Action:					Date:	
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Paint

Condition					
Other (Content)					
Other (Capacity)					
Other (Type)					

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Earth					
Comment:	Containment berm appeared to be in proper functioning condition at time of inspection.				
Corrective Action:				Date:	

Venting:

Yes/No			
Comment:			
Corrective Action:		Date:	

Flaring:

Type			
Comment:			
Corrective Action:		Date:	

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 _____

Comment _____

Corrective Action _____

Date _____

1002c. PROTECTION OF SOILS _____

Comment _____

Corrective Action _____

Date _____

1002E. SURFACE DISTURBANCE MINIMIZATION _____ Pass _____

Comment _____

Corrective Action _____

Date _____

1003a. Waste and Debris removed? _____ In _____

Comment _____

Stockpiled gravel material observed on the northwest end of the Location. If gravel is necessary it should be put in use on the Location, or removed pursuant to 606 requirements.

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? <u>Pass</u>	Production areas stabilized ? <u>In</u>
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? <u>In</u>	
Production areas have been stabilized? _____	Segregated soils have been replaced? _____
RESTORATION AND REVEGETATION	
<u>Cropland</u>	
Top soil replaced _____	Recontoured _____ Perennial forage re-established _____
<u>Non-Cropland</u>	
Top soil replaced _____	Recontoured <u>Pass</u> 80% Revegetation <u>In</u>
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? <u>I</u>	
Comment	<div style="border: 1px solid black; padding: 5px;"> <p>The overall status of reclamation on the Location is "in process". Areas not reasonably needed for production have been reduced. Interim areas are predominantly vegetated by Rabbit brush and various wheatgrass species. There are areas on the northeast end of the Location that may require additional seeding efforts to meet ECMC uniform perennial vegetative requirements.</p> <p>Topsoil stockpile for future reclamation efforts not apparent; all topsoil likely spread over interim areas during initial reclamation efforts.</p> </div>
Corrective Action	<div style="border: 1px solid black; height: 20px; width: 100%;"></div>
Date _____	
Overall Interim Reclamation <u>In Process</u>	

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____	Date Final Reclamation Completed: _____
Final Land Use: _____	
Reminder: _____	
Comment: <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	
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: No immediate stormwater issues observed at time of inspection. Gravel is becoming sparse within areas of the Location and/or has filled with sediment. Maintained advised.

Continue to monitor and manage BMPs on Location ensure controls remain in proper functioning condition.

Corrective Action:

Date: _____

Pits: ☐ NO SURFACE INDICATION OF PIT**Attached Documents**You can go to ECMC Images (<https://ecmc.state.co.us/weblink/>) and search by document number:

Document Num	Description	URL
404142682	INSPECTION SUBMITTED	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6976022
718100385	Inspection Photos	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6976005