

**FORM
INSP**Rev
X/15**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:

03/12/2018

Submitted Date:

03/15/2018

Document Number:

689701142**FIELD INSPECTION FORM**Loc ID 335800 Inspector Name: LONGWORTH, MIKE 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:**7 Number of Comments3 Number of Corrective Actions☒ Corrective Action Response Requested**Contact Information:**

| Contact Name | Phone | Email | Comment |
|-------------------|-------|---------------------------------------|---------------------------|
| Noto, John | | john.noto@state.co.us | |
| Lujan, Carlos | | carlos.lujan@state.co.us | |
| , Caerus Piceance | | COGCC.inspections@caerusoilandgas.com | Piceance inspections only |
| Kellerby, Shaun | | shaun.kellerby@state.co.us | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|---------------------------|-------------|
| 277115 | WELL | PR | 01/05/2006 | GW | 045-10604 | N.PARACHUTE WF14D A15 596 | PR |

General Comment:

Inspection prompted by inspector observing use of location by drilling operations. Inspector informed drilling consultant Boyd Cottam of findings from this inspection before leaving the area. 3/13/2018 inspector called Caerus' Sr. Regulatory Analyst Jason Eckman of corrective actions and corrective action due dates.

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

| | | | |
|--------------------|----------|-------|--|
| Type | BATTERY | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | WELLHEAD | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Emergency Contact Number:

| | | |
|--------------------|--|-------------|
| Comment: | | Date: _____ |
| Corrective Action: | | |

Good Housekeeping:

| | | | |
|--------------------|---|-------|------------|
| Type | STORAGE OF SUPL | | |
| Comment: | Drilling chemicals and supplies stored on location. | | |
| Corrective Action: | Remove all chemicals, and supplies from location. Comply with Rule 603.f . | Date: | 03/24/2018 |

Overall Good: ☐**Spills:**

| | | | | |
|--------------------|--|--------|--|------------------|
| Type | Area | Volume | | |
| Other | | | | |
| Comment: | Drilling materials have spilled onto location. | | | |
| Corrective Action: | Clean up spilled material and remediate. | | | Date: 03/15/2018 |

In Containment: No

Comment: ☐ Multiple Spills and Releases?**Venting:**

| | | | |
|--------------------|--|-------|--|
| Yes/No | | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Flaring:

| | | |
|--------------------|--|-------|
| Type | | |
| Comment: | | |
| Corrective Action: | | Date: |

| Inspected Facilities | | | | |
|----------------------|----------------|-----------------------|------------|------------------|
| Facility ID: 277115 | Type: WELL | API Number: 045-10604 | Status: PR | Insp. Status: PR |
| Producing Well | | | | |
| Comment: | Producing well | | | |
| Corrective Action: | | | | Date: |

Reclamation - Storm Water - Pit**Storm Water:**

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
|------------------|-----------------|-------------------------|-----------------------|--|--------------------------|---------------------------------------|
| | | | | Material Handling And Spill Prevention | Fail | Dilling chemicals stored on location. |

Comment: 5 gallon chemical containers off of pallet and on the ground.

Corrective Action: Get containers off the ground and store properly.

Date: 03/15/2018

Pits: ☐ NO SURFACE INDICATION OF PIT

Attached Documents

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

| Document Num | Description | URL |
|--------------|--------------------------------|---|
| 401575314 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4403636 |
| 689701148 | Inspection 689701142 photo log | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4403635 |