

**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:

12/17/2019

Submitted Date:

12/17/2019

Document Number:

699800221

FIELD INSPECTION FORM

Loc ID 334149 Inspector Name: De Paolo, Corey 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:

OGCC Operator Number: 10456
Name of Operator: CAERUS PICEANCE LLC
Address: 1001 17TH STREET #1600
City: DENVER State: CO Zip: 80202

Findings:

- 7 Number of Comments
- 1 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 |
|-----------------|-------|---------------------------------------|---------|
| Kellerby, Shaun | | shaun.kellerby@state.co.us | |
| , Caerus | | COGCC.inspections@caerusoilandgas.com | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|------------------------------|-------------|
| 293213 | WELL | PR | 03/17/2009 | GW | 077-09447 | ORCHARD UNIT 10-14 (J10OUB) | PR |
| 293215 | WELL | PR | 03/18/2009 | GW | 077-09448 | ORCHARD UNIT 10-11 (J10OUB) | PR |
| 298383 | WELL | PR | 04/30/2009 | GW | 077-09754 | ORCHARD UNIT 10-11H (J10OUB) | PR |

General Comment:

COGCC Inspection Report Summary
On Tuesday 12/17/19 at approximately 15:00 hours, I, Inspector Corey De Paolo, conducted an on-site inspection at CAERUS PICEANCE LLC ORCHARD UNIT-68S96W /10NWSE, Location #334149 in Mesa County Colorado.
While there, I observed normal production operations.
During this inspection the following possible compliance issues were observed: Multiple holes in tank containment liner. See photo #0274 and #0275 with a corrective action date of 1/17/20.

A follow up on this site inspection needs to be conducted to ensure the compliance issues have been corrected to comply with COGCC rules.
This is a summary of inspection report.

Location

| | | | |
|--------------------|--------|--|-------|
| Lease Road: | | | |
| Type | Access | | |
| comment: | | | |
| Corrective Action | | | Date: |

Overall Good:

| | | | |
|----------------------|----------------------|--|-------|
| Signs/Marker: | | | |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type | WELLHEAD | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type | BATTERY | | |
| Comment: | | | |
| Corrective Action: | | | Date: |

| | | | |
|----------------------------------|-----|--|-------------|
| Emergency Contact Number: | | | |
| Comment: | 911 | | |
| Corrective Action: | | | Date: _____ |

| | | | |
|---------------------------|--------|--|-------|
| Good Housekeeping: | | | |
| Type | DEBRIS | | |
| Comment: | | | |
| Corrective Action: | | | Date: |

Overall Good:

| | | | |
|----------------|------|--------|--|
| Spills: | | | |
| Type | Area | Volume | |

In Containment: No

Comment:

Multiple Spills and Releases?

| | | | |
|--------------------------|-----|--|-----------------|
| Equipment: | | | corrective date |
| Type: Deadman # & Marked | # 1 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Plunger Lift | # 3 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Gas Meter Run | # 1 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |

| | | | |
|-----------------------------------|-----|--|-------|
| Type: Horizontal Heated Separator | # 1 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Vertical Heated Separator | # 2 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Pig Station | # 1 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Bird Protectors | # 2 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |

Tanks and Berms:

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|---|----------|-----------|---------|--------|
| METHANOL | 1 | 1000 GAL | STEEL AST | | , |
| Comment: | | | | | |
| Corrective Action: | | | | | Date: |

Paint

| | | |
|------------------|----------|--|
| Condition | Adequate | |
| Other (Content) | | |
| Other (Capacity) | | |
| Other (Type) | | |

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|--------------------|--------------------------|---------------------|---------------------|-------------|
| Metal | Adequate | Walls Sufficient | Base Sufficient | Adequate |
| Comment: | Centralized containment. | | | |
| Corrective Action: | | | | Date: |

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|---|----------|-----------|---------|--------|
| CONDENSATE | 2 | 300 BBLs | STEEL AST | | , |
| Comment: | | | | | |
| Corrective Action: | | | | | Date: |

Paint

| | | |
|------------------|----------|--|
| Condition | Adequate | |
| Other (Content) | | |
| Other (Capacity) | | |
| Other (Type) | | |

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|-------|----------|---------------------|---------------------|-------------|
| Metal | Adequate | Walls Insufficient | Base Sufficient | Inadequate |

| | | | |
|--------------------|---|--|------------------|
| Comment: | Centralized containment. Multiple holes in tank containment liner. See photo #0274 and #0275 | | |
| Corrective Action: | Berms or other secondary containment devices shall be sufficiently impervious to contain any spilled or released material. Patch all holes in tank containment liner. | | Date: 01/17/2020 |
| Venting: | | | |
| Yes/No | NO | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Flaring: | | | |
| Type | | | |
| Comment: | | | |
| Corrective Action: | | | Date: |

Inspected Facilities

Facility ID: 293213 Type: WELL API Number: 077-09447 Status: PR Insp. Status: PR

Producing Well

Comment: Producing

Corrective Action:

Date:

Facility ID: 293215 Type: WELL API Number: 077-09448 Status: PR Insp. Status: PR

Producing Well

Comment: Producing

Corrective Action:

Date:

Facility ID: 298383 Type: WELL API Number: 077-09754 Status: PR Insp. Status: PR

Producing Well

Comment: Producing

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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Compaction | | | | | | |
| Ditches | | | | | | |
| | | Compaction | | | | |
| | | Culverts | | | | |
| Berms | | | | | | |
| | | Ditches | | | | |
| Gravel | | | | | | |
| | | Gravel | | | | |

Comment:

Corrective Action:

Date: _____

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 |
|--------------|-----------------------------|---|
| 699800222 | Photos for Insp. #699800221 | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5015852 |