



Caerus Oil and Gas LLC
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FAQ 32 consideration

The previous operator removed the drilling mud from location. Field personnel collected a confirmation sample to demonstrate compliance with COGCC Table 910-1 soil standards, which identified a pH concentration above the standard. The well pad has been returned to the active working surface of the pad for continued operation. Caerus is requesting consideration for COGCC Table 910-1 concentration levels for pH under guidelines set forth under FAQ 32 as this is an active working location. Field notes included in the Initial Form 19 (COGCC Document ID 2222073) demonstrate all spilled drilling mud was contained on the well pad and thus any elevated concentrations of pH were also contained on the well pad. Caerus believes the request for FAQ 32 consideration is acceptable as there are minimal potential receptors in the area and environmental impacts to these receptors are unlikely. The entire pad surface is contained by a perimeter berm to reduce the chance for overland flow from exiting the pad location. The nearest surface water drainage is an ephemeral drainage and is located approximately 5,370 feet to the south. In the event of a spill on the location, the drainage pathway would be to the north and thus this ephemeral drainage would not be affected. Groundwater at the site is estimated to be greater than 100 feet below ground surface.

During pad reclamation and closure, Caerus will undergo a final pad review process to ensure threats to potential receptors are identified and removed or mitigated. This process includes review of historic spills and releases, sampling, and coordination with reclamation and construction staff for reclamation requirements. Based on the request for consideration for FAQ 32, Caerus will ensure all elevated concentrations of pH will be buried below at least three feet of native soil to ensure agronomic growth.