

**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:

03/05/2021

Submitted Date:

03/05/2021

Document Number:

699802717

FIELD INSPECTION FORMLoc ID 334759 Inspector Name: De Paolo, Corey On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**

OGCC 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:**

16 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@caerus oilandgas.com | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|--------------------------------|-------------|
| 278065 | WELL | SI | 03/01/2020 | GW | 045-10836 | DAYBREAK FEDERAL 30-2BB (PB30) | SI |

General Comment:**COGCC Inspection Report Summary**

On Friday 3/5/21 at approximately 14:30 hours, I, Inspector Corey De Paolo, Conducted, an on-site inspection at CAERUS PICEANCE LLC DAYBREAK FEDERAL-67S95W /30NWNE, Location #334759 in Garfield County Colorado.

While there, I observed normal production operations.

During this inspection the following possible compliance issues were observed: Rutting present on location due to lack of stabilization. See photo #3072 and #3073. No form of tracking control. See photo #3074 with a corrective action date of 3/20/21. Location is located in a high priority habitat area.

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 | L | | | Date: |
| Overall Good: <input checked="" type="checkbox"/> | | | | |
| Signs/Marker: | | | | |
| Type | TANK LABELS/PLACARDS | | | |
| Comment: | | | | |
| Corrective Action: | | | | Date: |
| Type | BATTERY | | | |
| Comment: | Note there is no battery sign located at the battery. The previous information was posted on the tanks and does not meet the new battery sign requirements of Rule 605 e. | | | |
| Corrective Action: | | | | Date: |
| Type | WELLHEAD | | | |
| Comment: | Wellhead signs located at separators and not wellheads. | | | |
| Corrective Action: | | | | Date: |
| Emergency Contact Number: | | | | |
| Comment: | 911 | | | |
| Corrective Action: | | | | Date: _____ |
| Good Housekeeping: | | | | |
| Type | UNUSED EQUIPMENT | | | |
| Comment: | | | | |
| Corrective Action: | | | | Date: |
| Overall Good: <input checked="" type="checkbox"/> | | | | |
| Spills: | | | | |
| Type | Area | Volume | | |
| In Containment: No | | | | |
| Comment: | | | | |
| <input type="checkbox"/> Multiple Spills and Releases? | | | | |
| Fencing/: | | | | |
| Type | LOCATION | | | |
| Comment: | Barbed wire fence around location | | | |
| Corrective Action: | | | | Date: |
| Equipment: | | | | |
| Type: Gas Meter Run | # 1 | | | corrective date |
| Comment: | Summit midstream | | | |
| Corrective Action: | | | | Date: |
| Type: Bradenhead | # 1 | | | |
| Comment: | Pressure transducers located on all braden heads. All braden head valves are accessible. | | | |

| | | | |
|-----------------------------------|---|-------|--|
| Corrective Action: | | Date: | |
| Type: Plunger Lift | # 1 | | |
| Comment: | Well on plunger lift | | |
| Corrective Action: | | Date: | |
| Type: Horizontal Heated Separator | # 1 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Bird Protectors | # 1 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Gas Meter Run | # 1 | | |
| Comment: | All meter runs have been calibrated in the last year. | | |
| Corrective Action: | | Date: | |

Tanks and Berms:

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|---|----------|-----------|---------|--------|
| CONDENSATE | 1 | 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 Sufficient | Base Sufficient | Adequate |
| Comment: | Centralized containment | | | |
| Corrective Action: | | | | Date: |

| 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: | |
| Venting: | | | |
| Yes/No | NO | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Flaring: | | | |
| Type | | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Inspected FacilitiesFacility ID: 278065 Type: WELL API Number: 045-10836 Status: SI Insp. Status: SI**Idle Well**Purpose: ☒ Shut In ☐ Temporarily Abandoned

Reminder: _____

Comment: Last produced February 2020

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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|------------------------------|
| Gravel | | | | | | |
| Ditches | | | | | | |
| | | Berms | | | | |
| | | Culverts | | | | |
| Other | Fail | | | | | no form of tracking control. |
| | | Gravel | | | | |
| Berms | | | | | | |
| | | Ditches | | | | |
| | | Sediment Traps | | | | |
| Compaction | Fail | | | | | Rutting present on location |

Comment: [Rutting present on location due to lack of stabilization. See photo #3072 and #3073. No form of tracking control. See photo #3074 Location is located in a high priority habitat area.](#)

Corrective Action: [Oil and gas operators shall implement and maintain Best Management Practices \(BMPs\) at all oil and gas locations.](#)

Date: 03/20/2021

Pits: ☒ NO SURFACE INDICATION OF PIT

COGCC Comments

| Comment | User | Date |
|---|----------|------------|
| Refer to stormwater for corrective actions. | depaoloc | 03/05/2021 |

Attached Documents

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

| Document Num | Description | URL |
|--------------|-----------------------------|---|
| 699802718 | Photos for Insp. #699802717 | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5369286 |