

**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:

04/11/2022

Submitted Date:

04/12/2022

Document Number:

700704074

FIELD INSPECTION FORM

Loc ID 334791 Inspector Name: Ramsey, Scott 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:

- 14 Number of Comments
- 4 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 |
|--------------|-------|--|---------|
| , Caerus | | COGCC.inspections@caerus oilandgas.com | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|-----------------------------|-------------|
| 89036 | WELL | PR | 11/01/2020 | GW | 045-07364 | COUEY 17-11 | PR |
| 256088 | WELL | PR | 11/01/2020 | GW | 045-07421 | COUEY 17-10 | PR |
| 276747 | WELL | SI | 06/01/2021 | GW | 045-10519 | COUEY 17-11D(K17E) | SI |
| 276749 | WELL | PR | 10/01/2021 | GW | 045-10520 | COUEY 17-15B (K17E) | PR |
| 276871 | WELL | SI | 12/01/2021 | GW | 045-10546 | COUEY FEDERAL 17-14A (K17E) | SI |

General Comment:

COGCC Inspection Report Summary
On Monday 4/12/2022 at approximately 1000, I, Inspector Scott Ramsey, conducted a routine inspection at Caerus K17E, at Location # 334791 in Garfield county Colorado.
Any Corrective Actions from previous Inspections that have not been addressed are still applicable.
While there, I observed normal production operations. All meters have been calibrated on location within the past year. This location is within or in close proximity to a CPW Density/High Priority Habitat, black bear, NSO habitat, Wildlife Management Area. Operator (Caerus) has provided documentation of their Best Management Practices for Sediment Tracking Controls.
During this inspection the following compliance issues were observed:
1. Access and location shows some signs in areas of lack of stabilization/ compaction/ degradation/ erosion.
2. Lack of battery signage.
3. Burner assemblies on some separators are missing caps.
4. Regulator on a separator at A-valve is leaking gas.
Refer to photograph of observed compliance issue.

A follow up on this site inspection will 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: | See stormwater | | |
| Corrective Action: | | Date: | |
| Overall Good: <input type="checkbox"/> | | | |
| Signs/Marker: | | | |
| Type | WELLHEAD | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | OTHER | | |
| Comment: | Separator units include attached storage tanks. The sight glass located on the side of the unit indicates the storage tank is full of an unknown fluid. No form of labeling or markers are present to identify a potential hazard or the contents of the storage tank. | | |
| Corrective Action: | | Date: | |
| Type | CONTAINERS | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | BATTERY | | |
| Comment: | Lack of battery signage | | |
| Corrective Action: | Provide proper signage | Date: | 07/01/2022 |
| Emergency Contact Number: | | | |
| Comment: | 911 | | |
| Corrective Action: | | Date: | |
| Good Housekeeping: | | | |
| Type | OTHER | | |
| Comment: | Burner assemblies on some separators are missing caps. | | |
| Corrective Action: | Eliminate possibility of wildlife to enter open lines | Date: | 04/22/2022 |
| Type | OTHER | | |
| Comment: | Regulator on a separator at A-valve is leaking gas. | | |
| Corrective Action: | Securely fasten all valves, pipes, and fittings to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition. | Date: | 04/22/2022 |
| Overall Good: <input type="checkbox"/> | | | |
| Spills: | | | |
| Type | Area | Volume | |
| In Containment: No | | | |
| Comment: | | | |
| <input type="checkbox"/> Multiple Spills and Releases? | | | |

| Equipment: | | corrective date |
|-----------------------------------|--|-----------------|
| Type: Bird Protectors | # 3 | |
| Comment: | | |
| Corrective Action: | | Date: |
| Type: Horizontal Heated Separator | # 2 | |
| Comment: | | |
| Corrective Action: | | Date: |
| Type: Vertical Heated Separator | # 3 | |
| Comment: | | |
| Corrective Action: | | Date: |
| Type: Plunger Lift | # 5 | |
| Comment: | | |
| Corrective Action: | | Date: |
| Type: Bradenhead | # 5 | |
| Comment: | | |
| Corrective Action: | | Date: |
| Type: Ancillary equipment | # 4 | |
| Comment: | 3 chemical tanks in plastic containments and 1 500 gallon methanol tank in metal containment | |
| Corrective Action: | | Date: |

Tanks and Berms:

| 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 Sufficient | Base Sufficient | Adequate |
| Comment: | | | | |
| Corrective Action: | | | | Date: |

Venting:

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

Flaring:

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

| Inspected Facilities | | | | |
|--|-------------------|------------------------------|-------------------|-------------------------|
| Facility ID: <u>89036</u> | Type: <u>WELL</u> | API Number: <u>045-07364</u> | Status: <u>PR</u> | Insp. Status: <u>PR</u> |
| Producing Well | | | | |
| Comment: <u>Producing</u> | | | | |
| Corrective Action: | | Date: | | |
| Facility ID: <u>256088</u> | Type: <u>WELL</u> | API Number: <u>045-07421</u> | Status: <u>PR</u> | Insp. Status: <u>PR</u> |
| Producing Well | | | | |
| Comment: <u>Producing</u> | | | | |
| Corrective Action: | | Date: | | |
| Facility ID: <u>276747</u> | Type: <u>WELL</u> | API Number: <u>045-10519</u> | Status: <u>SI</u> | Insp. Status: <u>SI</u> |
| Idle Well | | | | |
| Purpose: <input checked="" type="checkbox"/> Shut In <input type="checkbox"/> Temporarily Abandoned Reminder: _____ | | | | |
| Comment: <u>Last produced 7/2021</u> | | | | |
| Corrective Action: | | Date: | | |
| Facility ID: <u>276749</u> | Type: <u>WELL</u> | API Number: <u>045-10520</u> | Status: <u>PR</u> | Insp. Status: <u>PR</u> |
| Producing Well | | | | |
| Comment: <u>Producing</u> | | | | |
| Corrective Action: | | Date: | | |
| Facility ID: <u>276871</u> | Type: <u>WELL</u> | API Number: <u>045-10546</u> | Status: <u>SI</u> | Insp. Status: <u>SI</u> |
| Idle Well | | | | |
| Purpose: <input checked="" type="checkbox"/> Shut In <input type="checkbox"/> Temporarily Abandoned Reminder: _____ | | | | |
| Comment: <u>Last produced 11/2021</u> | | | | |
| 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 | Fail | | | | | |
| | | Compaction | Fail | | | |

Comment: [1. Access and location shows some signs in areas of lack of stabilization/ compaction/ degradation/ erosion.](#)

Corrective Action: [Install or repair required BMPs](#)

Date: 06/03/2022

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 |
|--------------|-------------|---|
| 700704080 | Photo log | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5721080 |