

**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:

04/29/2022

Submitted Date:

05/02/2022

Document Number:

699804445

FIELD INSPECTION FORM

Loc ID 334599 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:

- 19 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 |
|--------------|-------|--|---------|
| , Caerus | | COGCC.inspections@caerus oilandgas.com | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|---------------------|-------------|
| 287313 | WELL | PR | 05/13/2007 | GW | 045-12963 | SHORE 16-7 (PG16) | PR |
| 288249 | WELL | SI | 08/01/2021 | GW | 045-13179 | SHORE 16-6 (PG16) | SI |
| 288250 | WELL | PR | 05/15/2007 | GW | 045-13178 | SHORE 16-6BB(PG16) | PR |
| 288251 | WELL | PR | 05/18/2007 | GW | 045-13177 | SHORE 16-3 (PG16) | PR |
| 288252 | WELL | PR | 05/24/2007 | GW | 045-13176 | SHORE 16-3BB(PG16) | PR |
| 288929 | WELL | PR | 05/26/2007 | GW | 045-13622 | SHORE 16-7BB (PG16) | PR |

General Comment:

COGCC Inspection Report Summary
On Friday 4/29/22 at approximately 13:30 hours, I, Inspector Corey De Paolo, Conducted a follow up inspection at CAERUS PICEANCE LLC SHORE-67S95W /16SWNE. Location #334599 in Garfield County Colorado.
Refer to document #699803653 inspection conducted on 9/22/21.
While there, I observed normal production operations.
During this inspection the following compliance issues were observed:

1) Location lacks stabilization. Insufficient tracking BMP at entrance to location with a corrective action date of 5/14/22.

- 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

Overall Good:

Signs/Marker:

| | | | |
|--------------------|---|-------|--|
| Type | OTHER | | |
| Comment: | Horizontal separator includes glycol storage tank. Glycol storage tank is approximately 2'x3'x14' with an approximate capacity of 15 barrels. Glycol storage tank missing required information. | | |
| Corrective Action: | | Date: | |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | WELLHEAD | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | BATTERY | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Emergency Contact Number:

Comment:

Corrective Action:

Date:

Overall Good:

Spills:

| Type | Area | Volume | | |
|------|------|--------|--|--|
|------|------|--------|--|--|

In Containment: No

Comment:

Multiple Spills and Releases?

Equipment:

| Type | | | corrective date |
|---------------------------------|--|-------|-----------------|
| Type: Gas Meter Run | # 1 | | |
| Comment: | Summit midstream | | |
| Corrective Action: | | Date: | |
| Type: Bradenhead | # 6 | | |
| Comment: | Pressure transducers located on braden head. All braden head valves are accessible | | |
| Corrective Action: | | Date: | |
| Type: Gas Meter Run | # 6 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Vertical Heated Separator | # 6 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Plunger Lift | # 6 | | |

| | | | | |
|-----------------------|---------------------------|--|-------|--|
| Comment: | All wells on plunger lift | | Date: | |
| Corrective Action: | | | Date: | |
| Type: Bird Protectors | # 4 | | | |
| Comment: | | | Date: | |
| 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 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 Facilities | | | | |
|--|-------------------|------------------------------|-------------------|-------------------------|
| Facility ID: <u>287313</u> | Type: <u>WELL</u> | API Number: <u>045-12963</u> | Status: <u>PR</u> | Insp. Status: <u>PR</u> |
| Producing Well | | | | |
| Comment: <u>Producing</u> | | | | |
| Corrective Action: | | | | Date: |
| Facility ID: <u>288249</u> | Type: <u>WELL</u> | API Number: <u>045-13179</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 July 2021</u> | | | | |
| Corrective Action: | | | | Date: _____ |
| Facility ID: <u>288250</u> | Type: <u>WELL</u> | API Number: <u>045-13178</u> | Status: <u>PR</u> | Insp. Status: <u>PR</u> |
| Producing Well | | | | |
| Comment: <u>Producing</u> | | | | |
| Corrective Action: | | | | Date: |
| Facility ID: <u>288251</u> | Type: <u>WELL</u> | API Number: <u>045-13177</u> | Status: <u>PR</u> | Insp. Status: <u>PR</u> |
| Producing Well | | | | |
| Comment: <u>Producing</u> | | | | |
| Corrective Action: | | | | Date: |
| Facility ID: <u>288252</u> | Type: <u>WELL</u> | API Number: <u>045-13176</u> | Status: <u>PR</u> | Insp. Status: <u>PR</u> |
| Producing Well | | | | |
| Comment: <u>Producing</u> | | | | |
| Corrective Action: | | | | Date: |
| Facility ID: <u>288929</u> | Type: <u>WELL</u> | API Number: <u>045-13622</u> | Status: <u>PR</u> | Insp. Status: <u>PR</u> |
| Producing Well | | | | |
| Comment: <u>Producing</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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---|
| Gravel | Fail | | | | | Gravel insufficient |
| | | Sediment Traps | | | | |
| Berms | | | | | | |
| | | Berms | | | | |
| | | Ditches | | | | |
| Ditches | | | | | | |
| Other | Fail | | | | | Insufficient tracking BMP at entrance to location |
| Sediment Traps | | | | | | |
| | | Culverts | | | | |
| Compaction | Fail | | | | | Location lacks stabilization. |
| | | Gravel | | | | |

Comment: Location lacks stabilization. Insufficient tracking BMP at entrance to location.

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

Date: 05/14/2022

Pits: NO SURFACE INDICATION OF PIT

COGCC Comments

| Comment | User | Date |
|---|----------|------------|
| Refer to Storm water for corrective actions | depaoloc | 05/02/2022 |

Attached Documents

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

| Document Num | Description | URL |
|--------------|-----------------------------|---|
| 699804446 | Photos for Insp. #699804445 | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5741317 |