

**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:

04/11/2023

Submitted Date:

04/13/2023

Document Number:

707800283

FIELD INSPECTION FORMLoc ID 413466 Inspector Name: Ramsey, Scott 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:

15 Number of Comments

3 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 |
|-------------|------|--------|-------------|------------|-----------|------------------------------|-------------|
| 412626 | WELL | PR | 02/16/2012 | GW | 103-11529 | Piceance Creek Unit 296-6B5 | PR |
| 412628 | WELL | PR | 02/18/2012 | GW | 103-11530 | Piceance Creek Unit 296-6B4 | PR |
| 412650 | WELL | PR | 09/01/2020 | GW | 103-11531 | Piceance Creek Unit 296-6B7 | PR |
| 412651 | WELL | PR | 11/01/2022 | GW | 103-11534 | Piceance Creek Unit 296-6B8 | PR |
| 412652 | WELL | PR | 02/26/2012 | GW | 103-11533 | Piceance Creek Unit 296-6B10 | PR |
| 412653 | WELL | PR | 02/15/2022 | GW | 103-11532 | Piceance Creek Unit 296-6B9 | PR |
| 413071 | WELL | PR | 02/24/2012 | GW | 103-11546 | Piceance Creek Unit 296-6B1 | PR |
| 413072 | WELL | TA | 11/10/2021 | GW | 103-11545 | PICEANCE CREEK UNIT 296-6B2 | TA |
| 413073 | WELL | PR | 12/01/2017 | GW | 103-11547 | Piceance Creek Unit 296-6B6 | PR |
| 413074 | WELL | PR | 02/21/2012 | GW | 103-11548 | Piceance Creek Unit 296-6B3 | PR |

General Comment:

COGCC Inspection Report Summary

On Tuesday 4/11/2023, I, Inspector Scott Ramsey, conducted a follow up inspection at Caerus PCU 296-6B, at Location # 413466 in Rio Blanco county Colorado.

Any Corrective Actions from previous Inspections that have not been addressed are still applicable.

While there, I observed normal production operations. 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.

Most of the C/A's from previous inspection document # 700703357 have been completed. Cut slope has not been addressed.

During this inspection the following compliance issues were observed:

1. Some areas of location show signs of lack of stabilization which in turn can lead to tracking issues.
2. Cut slope shows signs of erosion/ riling. Some areas are still covered with snow.
3. Leak on well head.
4. Chemical containment is full of fluid.

Refer to photograph of observed compliance issue.

A follow up on this site inspection may 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 | CONTAINERS | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | WELLHEAD | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Emergency Contact Number:

Comment: 911/970-285-2615

Corrective Action:

Date: _____

Good Housekeeping:

| | | | |
|--------------------|--|-------|-------------------|
| Type | OTHER | | |
| Comment: | Leak on well head. | | |
| Corrective Action: | Securely fasten all valves, pipes, fittings, and Production Facilities to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition | Date: | <u>04/20/2023</u> |

Overall Good: ☐

| | | | | |
|--|------|--------|--|--|
| Spills: | | | | |
| Type | Area | Volume | | |
| In Containment: No _____ | | | | |
| Comment: _____ | | | | |
| <input type="checkbox"/> Multiple Spills and Releases? | | | | |

| | | | |
|----------------------------|---|-------|-------------------|
| Equipment: | | | corrective date |
| Type: Gas Meter Run | # 9 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Bradenhead | # 9 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Ancillary equipment | # 5 | | |
| Comment: | 4 chemical tanks in metal containments and 1 chemical tank in a plastic containment which is full of fluid. | | |
| Corrective Action: | Evacuate fluids in containments to provide adequate space in case of a spill | Date: | <u>05/04/2023</u> |
| Type: Horizontal Separator | # 1 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Plunger Lift | # 9 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

| Inspected Facilities | | | | | | | | | |
|-----------------------|-----------|-------|------|-------------|-----------|---------|----|---------------|----|
| Facility ID: | 412626 | Type: | WELL | API Number: | 103-11529 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | Producing | | | | | | | | |
| Corrective Action: | | | | | | Date: | | | |
| Facility ID: | 412628 | Type: | WELL | API Number: | 103-11530 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | Producing | | | | | | | | |
| Corrective Action: | | | | | | Date: | | | |
| Facility ID: | 412650 | Type: | WELL | API Number: | 103-11531 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | Producing | | | | | | | | |
| Corrective Action: | | | | | | Date: | | | |
| Facility ID: | 412651 | Type: | WELL | API Number: | 103-11534 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | Producing | | | | | | | | |
| Corrective Action: | | | | | | Date: | | | |
| Facility ID: | 412652 | Type: | WELL | API Number: | 103-11533 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | Producing | | | | | | | | |
| Corrective Action: | | | | | | Date: | | | |
| Facility ID: | 412653 | Type: | WELL | API Number: | 103-11532 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | Producing | | | | | | | | |
| Corrective Action: | | | | | | Date: | | | |
| Facility ID: | 413071 | Type: | WELL | API Number: | 103-11546 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | Producing | | | | | | | | |
| Corrective Action: | | | | | | Date: | | | |
| Facility ID: | 413072 | Type: | WELL | API Number: | 103-11545 | Status: | TA | Insp. Status: | TA |

Idle WellPurpose: ☐ Shut In ☒ Temporarily Abandoned

Reminder: _____

Comment: [Last MIT done 6/28/2019](#)

Corrective Action: _____ Date: _____

Facility ID: 413073 Type: WELL API Number: 103-11547 Status: PR Insp. Status: PR**Producing Well**Comment: [Producing](#)

Corrective Action: _____ Date: _____

Facility ID: 413074 Type: WELL API Number: 103-11548 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 | Fail | | | | | |

Comment: Limited storm water inspection due to snow cover
 1. Some areas of location show signs of lack of stabilization which in turn can lead to tracking issues.
 2. Cut slope shows signs of erosion/ riling. Some areas are still covered with snow.

Corrective Action: **Install or repair required BMPs**

Date: 05/25/2023

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 |
|--------------|----------------------|---|
| 403374554 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6082564 |
| 707800295 | Photo log | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6082552 |