

FORM
INSPRev
X/20State of Colorado
Oil and Gas Conservation Commission1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109

Inspection Date:

03/07/2024

Submitted Date:

03/08/2024

Document Number:

707800781

FIELD INSPECTION FORM

 Loc ID 335423 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:

- 14 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 |
|-------------|------|--------|-------------|------------|-----------|------------------------|-------------|
| 261410 | WELL | PR | 06/04/2002 | GW | 045-07953 | SHIDELER 29-11 | PR |
| 272070 | WELL | PR | 10/18/2004 | GW | 045-10012 | ROBINSON 29-10 (K29NE) | PR |
| 272071 | WELL | PR | 10/08/2004 | GW | 045-10011 | COUEY 29-12 (K29NE) | PR |
| 272912 | WELL | PR | 10/12/2004 | GW | 045-10195 | ROBINSON 29-6(K29NE) | PR |
| 282082 | WELL | PR | 08/01/2022 | GW | 045-11630 | CRUZ 29-11A(K29NE) | PR |
| 282083 | WELL | PR | 03/23/2007 | GW | 045-11629 | CRUZ 29-12A(K29NE) | PR |
| 282084 | WELL | PR | 03/19/2007 | GW | 045-11628 | CRUZ 29-12C(K29NE) | PR |

General Comment:**ECMC Inspection Report Summary**

On Thursday 3/8/2024, I, Inspector Scott Ramsey, conducted a routine inspection at Caerus K29NE, at Location # 335423 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. 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. Location lacks stabilization and tracking BMP's
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 | BATTERY | | |
| 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 | WELLHEAD | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Emergency Contact Number:

Comment:

Corrective Action:

Date:

Good Housekeeping:

| | | | |
|--------------------|--------|-------|--|
| Type | DEBRIS | | |
| 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 | # 8 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Bird Protectors | # 6 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Vertical Heated Separator | # 7 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

| | | | |
|--------------------|-----|--|-------|
| Type: Bradenhead | # 7 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Plunger Lift | # 7 | | |
| Comment: | | | |
| 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 Sufficent | Base Sufficent | Adequate |
| Comment: | | | | |
| Corrective Action: | | | | Date: |

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|--------------------|----------|-----------|---------|--------|
| CONDENSATE | 7 | 300 BBLs | STEEL AST | | , |
| Comment: | 4 tanks are heated | | | | |
| Corrective Action: | | | | | Date: |

Paint

| | | |
|------------------|----------|--|
| Condition | Adequate | |
| Other (Content) | | |
| Other (Capacity) | | |
| Other (Type) | | |

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|--------------------|----------|---------------------|---------------------|-------------|
| Metal | Adequate | Walls Sufficent | Base Sufficent | Adequate |
| Comment: | | | | |
| Corrective Action: | | | | Date: |

Venting:

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

Flaring:

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

| Inspected Facilities | | | | | | | | | |
|-----------------------|-----------|-------|------|-------------|-----------|---------|----|---------------|----|
| Facility ID: | 261410 | Type: | WELL | API Number: | 045-07953 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | Producing | | | | | | | | |
| Corrective Action: | | | | | Date: | | | | |
| Facility ID: | 272070 | Type: | WELL | API Number: | 045-10012 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | Producing | | | | | | | | |
| Corrective Action: | | | | | Date: | | | | |
| Facility ID: | 272071 | Type: | WELL | API Number: | 045-10011 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | Producing | | | | | | | | |
| Corrective Action: | | | | | Date: | | | | |
| Facility ID: | 272912 | Type: | WELL | API Number: | 045-10195 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | Producing | | | | | | | | |
| Corrective Action: | | | | | Date: | | | | |
| Facility ID: | 282082 | Type: | WELL | API Number: | 045-11630 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | Producing | | | | | | | | |
| Corrective Action: | | | | | Date: | | | | |
| Facility ID: | 282083 | Type: | WELL | API Number: | 045-11629 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | Producing | | | | | | | | |
| Corrective Action: | | | | | Date: | | | | |
| Facility ID: | 282084 | Type: | WELL | API Number: | 045-11628 | 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 | | | | | | Light compaction in areas |
| Berms | | | | | | |
| Gravel | | | | | | Sparse to none |
| | | Ditches | | | | |

Comment: 1. Location lacks stabilization and tracking BMP's Maintenance relative to storm water runoff, operators shall consider seasonal factors, such as winter snow cover and spring runoff from snowmelt, to ensure site conditions and controls are adequate and in place to effectively manage storm water. Places with sparse to no gravel & light compaction are present on lease road and location. Sparse to no gravel and light compaction could lead to future stabilization and tracking issues.

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

Date: 04/19/2024

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 |
|--------------|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 403713790 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6459743 |
| 707800785 | Photo log | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6459721 |