

**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:

04/22/2024

Submitted Date:

04/22/2024

Document Number:

708903604

FIELD INSPECTION FORMLoc ID 335594 Inspector Name: Smelser, Wayne On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**

ECMC 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:

33 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 | |
| Kellerby, Shaun | | shaun.kellerby@state.co.us | |
| Arauza, Steven | | steven.arauza@state.co.us | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|--------------------------------|-------------|
| 281254 | WELL | PR | 11/14/2006 | GW | 045-11414 | N.PARACHUTE EF 16D H29A 595 | PR |
| 281255 | WELL | PR | 02/01/2014 | GW | 045-11415 | N.PARACHUTE EF 15B H29A 595 | PR |
| 281256 | WELL | PR | 11/10/2005 | GW | 045-11416 | N.PARACHUTE EF01B H29A 595 | PR |
| 281257 | WELL | PR | 11/24/2006 | GW | 045-11417 | N.PARACHUTE EF16B H29A 595 | PR |
| 281258 | WELL | PR | 11/03/2006 | GW | 045-11418 | N.PARACHUTE EF09B H29A 595 | PR |
| 281259 | WELL | PR | 11/08/2006 | GW | 045-11419 | N. PARACHUTE EF01D H29A 595 | PR |
| 281260 | WELL | PR | 11/10/2005 | GW | 045-11420 | N.PARACHUTE EF 15D H29A 59 | PR |
| 281261 | WELL | PR | 02/01/2014 | GW | 045-11421 | N.PARACHUTE EF 10D H29A 595 | PR |

General Comment:

CECMC Inspection Report Summary

On 04/22/2024 at approximately 14:01 hours, I, Compliance Specialist, Wayne Smelser

Conducted a follow up inspection at CAERUS PICEANCE LLC N. PARACHUTE H29A 595 Pad.

Location # 335594 in Garfield County Colorado.

Please refer to inspection 708902896 conducted on 01/25/2024, previous corrective action has been completed.

Location is within High Priority/Density/NSO/Black Bear Habitat areas.

Location is approximately 186 yards from East Fork Parachute Creek.

While there, I observed normal production operations.

During this inspection the following compliance issues were observed:

1. Housekeeping - Stained soils & gravel in multiple areas on location with a CA date of 04/29/2024
2. Housekeeping - Open hole/wildlife & personnel hazard with a CA date of 04/29/2024
3. Housekeeping - Multiple open ended piping on location/wildlife hazards with a CA date of 04/29/2024

A follow up on this site inspection needs to be conducted to ensure the compliance issues have been corrected to comply with CECMC rules.

This is a summary of inspection report.

Production separation equipment & tank battery located at Middlefork Station facility #'s 419757 & 470699

Location**Lease Road:**

| | | | |
|-------------------|--------|-------|--|
| Type | Access | | |
| comment: | | | |
| Corrective Action | L | Date: | |

Overall Good: ☐**Signs/Marker:**

| | | | |
|--------------------|------------------------------|-------|--|
| Type | CONTAINERS | | |
| Comment: | Chemical tanks | | |
| Corrective Action: | | Date: | |
| Type | BATTERY | | |
| Comment: | No tank battery on location | | |
| Corrective Action: | | Date: | |
| Type | WELLHEAD | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | OTHER | | |
| Comment: | Sign at entrance to location | | |
| Corrective Action: | | Date: | |

Emergency Contact Number:

| | | |
|--------------------|------------------|-------------|
| Comment: | 911/970-285-2615 | |
| Corrective Action: | | Date: _____ |

Good Housekeeping:

| | | | |
|--------------------|---|-------|------------|
| Type | OTHER | | |
| Comment: | Stained soils & gravel in multiple areas on location | | |
| Corrective Action: | Remove and properly dispose of all stained soils and gravel | Date: | 04/29/2024 |
| Type | OTHER | | |
| Comment: | Open hole/wildlife & personnel hazard | | |
| Corrective Action: | Comply with CECMC wildlife & safety rules | Date: | 04/29/2024 |
| Type | OTHER | | |
| Comment: | Multiple open ended piping on location/wildlife hazards | | |
| Corrective Action: | Comply with CECMC wildlife rules | Date: | 04/29/2024 |

Overall Good: ☐**Spills:**

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

In Containment: No

Comment:

☐ Multiple Spills and Releases?

| | | | |
|--------------------|--|-------|--|
| Fencing/: | | | |
| Type | OTHER | | |
| Comment: | Chemical tanks - jersey barriers | | |
| Corrective Action: | | Date: | |
| Type | WELLHEAD | | |
| Comment: | Jersey barriers | | |
| Corrective Action: | | Date: | |
| Type | OTHER | | |
| Comment: | Gas lift meter houses - jersey barriers | | |
| Corrective Action: | | Date: | |
| Type | OTHER | | |
| Comment: | Sales meter houses - pipe rail fence & jersey barriers | | |
| Corrective Action: | | Date: | |

| | | | |
|---------------------------|--|-------|-----------------|
| Equipment: | | | corrective date |
| Type: Other | # 1 | | |
| Comment: | Telemetry | | |
| Corrective Action: | | Date: | |
| Type: Ancillary equipment | # 2 | | |
| Comment: | Chemical tanks | | |
| Corrective Action: | | Date: | |
| Type: Bradenhead | # 8 | | |
| Comment: | Taylor plugs located on all bradenhead. All bradenhead valves are accessible | | |
| Corrective Action: | | Date: | |
| Type: Plunger Lift | # 8 | | |
| Comment: | All wells on plunger lift | | |
| Corrective Action: | | Date: | |
| Type: Gas Meter Run | # 8 | | |
| Comment: | Gas lift | | |
| Corrective Action: | | Date: | |
| Type: Ancillary equipment | # 1 | | |
| Comment: | Thermoelectric generator | | |
| Corrective Action: | | Date: | |
| Type: Gas Meter Run | # 8 | | |
| Comment: | Sales | | |
| Corrective Action: | | Date: | |

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

| | | | |
|-----------------|--|--|--|
| Flaring: | | | |
|-----------------|--|--|--|

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

| Inspected Facilities | | | | |
|--|--|-------|------|---|
| Facility ID: | 281254 | Type: | WELL | API Number: 045-11414 Status: PR Insp. Status: PR |
| Producing Well | | | | |
| Comment: | Producing, well on plunger lift & gas lift | | | |
| Corrective Action: | | Date: | | |
| The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12 | | | | |
| Facility ID: | 281255 | Type: | WELL | API Number: 045-11415 Status: PR Insp. Status: PR |
| Producing Well | | | | |
| Comment: | Producing, well on plunger lift & gas lift | | | |
| Corrective Action: | | Date: | | |
| The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12 | | | | |
| Facility ID: | 281256 | Type: | WELL | API Number: 045-11416 Status: PR Insp. Status: PR |
| Producing Well | | | | |
| Comment: | Producing, well on plunger lift & gas lift | | | |
| Corrective Action: | | Date: | | |
| The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12 | | | | |
| Facility ID: | 281257 | Type: | WELL | API Number: 045-11417 Status: PR Insp. Status: PR |
| Producing Well | | | | |
| Comment: | Producing, well on plunger lift & gas lift | | | |
| Corrective Action: | | Date: | | |
| The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12 | | | | |
| Facility ID: | 281258 | Type: | WELL | API Number: 045-11418 Status: PR Insp. Status: PR |
| Producing Well | | | | |
| Comment: | Producing, well on plunger lift & gas lift | | | |
| Corrective Action: | | Date: | | |
| The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12 | | | | |
| Facility ID: | 281259 | Type: | WELL | API Number: 045-11419 Status: PR Insp. Status: PR |
| Producing Well | | | | |
| Comment: | Producing, well on plunger lift & gas lift | | | |
| Corrective Action: | | Date: | | |
| The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12 | | | | |
| Facility ID: | 281260 | Type: | WELL | API Number: 045-11420 Status: PR Insp. Status: PR |
| Producing Well | | | | |
| Comment: | Producing, well on plunger lift & gas lift | | | |
| Corrective Action: | | Date: | | |
| The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12 | | | | |
| Facility ID: | 281261 | Type: | WELL | API Number: 045-11421 Status: PR Insp. Status: PR |
| Producing Well | | | | |
| Comment: | Producing, well on plunger lift & gas lift | | | |
| Corrective Action: | | Date: | | |
| The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12 | | | | |

| | | | |
|--------------------|--|-------|--|
| Producing Well | | | |
| Comment: | Producing, well on plunger lift & gas lift | | |
| Corrective Action: | | Date: | |

The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

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 | | | | | | Small areas of light compaction |
| | | | | Material Handling And Spill Prevention | | Chemical tank containments |
| Berms | | | | | | |
| | | Gravel | | | | Sparse to none |
| | | Culverts | | | | |
| | | Ditches | | | | |
| | | Compaction | | | | |
| Gravel | | | | | | Sparse to none in small areas |

Comment: Some fluid in chemical tank containment, may need maintenance in the near future.Corrective Action: Date: **Pits:** ☒ NO SURFACE INDICATION OF PIT**ECMC Comments**

| Comment | User | Date |
|--|----------|------------|
| <u>Please refer to Housekeeping for observed compliance issues.</u> | smelserw | 04/22/2024 |
| <u>Production separation equipment & tank battery located at Middlefork Station facility #'s 419757 & 470699</u> | | |

Attached DocumentsYou can go to ECMC Images (<https://ecmc.state.co.us/weblink/>) and search by document number:

| Document Num | Description | URL |
|--------------|---|---|
| 403764725 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6520082 |
| 708903605 | Inspection 708903604 Stormwater photo log | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6520077 |
| 708903606 | Inspection 708903604 photo log | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6520078 |