

**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:

10/31/2022

Submitted Date:

11/03/2022

Document Number:

699805151

FIELD INSPECTION FORMLoc ID 323955 Inspector Name: De Paolo, Corey 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

2 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 |
|-------------|------|--------|-------------|------------|-----------|-----------------|-------------|
| 211351 | WELL | PR | 12/01/1996 | GW | 045-07111 | DUNN 4-12 (L4E) | PR |

General Comment:**COGCC Inspection Report Summary**

On Monday 10/31/22 at approximately 12:00 hours, I, Inspector Corey De Paolo,
Conducted an on-site inspection at CAERUS PICEANCE LLC DUNN-67S92W /4NWSW.
Location #323955 in Garfield County Colorado.
While there, I observed normal production operations.
During this inspection the following compliance issues were observed:

- 1) Multiple places with undesirable plant species with a corrective action date of 11/10/22.
- 2) Flow line heating insulation open ended and not capped with a corrective action date of 11/10/22.

- 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 | WELLHEAD | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | BATTERY | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | OTHER | | |
| Comment: | Separator units include an attached storage tank. The storage tank is approximately 2'x3'x14' with an approximate capacity of 15 bbl. 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: | |

Emergency Contact Number:

Comment: 911/970-285-2615

Corrective Action:

Date: _____

Good Housekeeping:

| | | | |
|--------------------|---|--|------------------|
| Type | DEBRIS | | |
| Comment: | Multiple places with undesirable plant species. | | |
| Corrective Action: | Oil and Gas Locations will be kept free of all Undesirable Plant Species. | | Date: 11/10/2022 |

Overall Good: ☐

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

| | | | |
|--------------------|--------------|-------|--|
| Fencing/: | | | |
| Type | TANK BATTERY | | |
| Comment: | Barbed wire | | |
| Corrective Action: | | Date: | |

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

| | | | |
|-----------------------------------|--|-------|------------|
| Corrective Action: | | Date: | |
| Type: Other | # 1 | | |
| Comment: | flow line heating insulation open ended and not capped. | | |
| Corrective Action: | Operators will prevent and minimize adverse impacts to wildlife resources. | Date: | 11/10/2022 |
| Type: Bird Protectors | # 1 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Gas Meter Run | # 1 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Plunger Lift | # 1 | | |
| Comment: | Well on plunger lift | | |
| Corrective Action: | | Date: | |
| Type: Horizontal Heated Separator | # 1 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Tanks and Berms:

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|---|----------|-----------|---------|--------|
| CONDENSATE | 1 | 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 | |
|--------------------|-------------------------|---------------------|---------------------|-------------|--------|
| Earth | Adequate | Walls Sufficient | Base Sufficient | Adequate | |
| Comment: | Centralized containment | | | | |
| Corrective Action: | | | | Date: | |
| Contents | # | Capacity | Type | Tank ID | SE GPS |
| METHANOL | 2 | <50 BBLS | STEEL AST | | , |
| Comment: | | | | | |
| Corrective Action: | | | | | Date: |

Paint

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

| | | | | | |
|----------------------------------|----------|---------------------|---------------------|-------------|-------|
| Berms | | | | | |
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance | |
| Earth | 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: | 211351 | Type: | WELL | API Number: | 045-07111 | 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 | | | | | | |
| Check Dams | | | | | | |
| | | Sediment Traps | | | | |
| Berms | | | | | | |
| | | Berms | | | | |
| | | Gravel | | | | |
| Sediment Traps | | | | | | |
| | | Compaction | | | | |
| Ditches | | | | | | |
| Gravel | | | | | | |
| | | Culverts | | | | |

Comment: Location appears to have some gravel throughout the location with light compaction. Places with light to no gravel are present on location. Light gravel and light compaction could lead to future stabilization and tracking issues.

Corrective Action:

Date: _____

Pits: ☒ NO SURFACE INDICATION OF PIT

COGCC Comments

| Comment | User | Date |
|--|----------|------------|
| Refer to Signs/Markers and Equipment for corrective actions. | depaoloc | 11/03/2022 |

Attached Documents

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

| Document Num | Description | URL |
|--------------|-----------------------------|---|
| 403219409 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5905718 |
| 699805152 | Photos for Insp. #699805151 | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5905711 |