

**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:

03/21/2023

Submitted Date:

03/23/2023

Document Number:

696204783

FIELD INSPECTION FORM

| | | | | |
|--|------------------------------------|---|-------------------|--|
| Loc ID 335596 | Inspector Name: Trujillo, Aaron | On-Site Inspection <input type="checkbox"/> | 2A Doc Num: _____ | Status Summary: <input checked="" type="checkbox"/> THIS IS A FOLLOW UP INSPECTION <input checked="" type="checkbox"/> FOLLOW UP INSPECTION REQUIRED <input type="checkbox"/> NO FOLLOW UP INSPECTION REQUIRED Findings: 6 Number of Comments 4 Number of Corrective Actions <input checked="" type="checkbox"/> Corrective Action Response Requested |
| Operator Information: OGCC Operator Number: 10456 Name of Operator: CAERUS PICEANCE LLC Address: 1001 17TH STREET #1600 City: DENVER State: CO Zip: 80202 | | | | ANY CORRECTIVE ACTION(S) FROM PREVIOUS INSPECTIONS THAT HAVE NOT BEEN ADDRESSED ARE STILL APPLICABLE |

Contact Information:

| Contact Name | Phone | Email | Comment |
|--------------|-------|---|---------------------------------|
| , | | COGCC.inspections@caerus oilandgas.com | All Inspections |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|----------|--------|-------------|------------|-----------|-----------------|-------------|
| 285007 | WELL | PR | 04/12/2007 | GW | 045-12348 | CHEVRON 18-3D | RI |
| 285008 | WELL | PR | 03/27/2013 | GW | 045-12347 | CHEVRON 18-4D | RI |
| 285009 | WELL | PR | 04/04/2007 | GW | 045-12346 | CHEVRON 18-5D | RI |
| 285010 | WELL | PR | 04/18/2007 | GW | 045-12345 | CHEVRON 18-2D | RI |
| 285011 | WELL | PR | 04/18/2007 | GW | 045-12344 | CHEVRON 18-1D | RI |
| 335596 | LOCATION | AC | | | - | CHEVRON K17 696 | RI |

General Comment:

On 3/21/2023, Reclamation Specialist Trujillo inspected Caerus Piceance's Chevron K17 696 Location in Garfield County, Colorado.

Location within a CPW High Priority Habitat area.

This inspection is a follow-up to #696204748 to document compliance with the following corrective actions:

- Good Housekeeping
- Stormwater: Pad/access road lacks stabilization

The following corrective actions from inspection #696204748 also remain applicable:

- Tank signage/labeling (CA Date 4/8/2023)
- Liner integrity (CA Date 4/8/2023)

It was observed in this inspection that the Location remains out of compliance with COGCC Rules and Corrective actions

Refer to the "Location", "Reclamation" and "stormwater" sections of this inspection report for additional details.

Refer to the photo-documentation of the observed compliance issues attached to this report.

Any corrective action(s) from previous inspections that have not been addressed are still applicable.

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

LocationOverall Good: ☐**Signs/Marker:**

| | | | |
|--------------------|--|-------|------------|
| Type | BATTERY | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | Inspection observed that the Sign/Label at 95 bbl condensate tank is no longer legible/information not posted. Inspection required Operator to Install sign to comply with Rule 605.h. Corrective action has not been addressed and remains applicable. | | |
| Corrective Action: | Install sign to comply with Rule 605.h. | Date: | 04/08/2023 |
| Type | WELLHEAD | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Emergency Contact Number:

Comment:

Corrective Action: Date:

Good Housekeeping:

| | | | |
|--------------------|--|-------|------------|
| Type | UNUSED EQUIPMENT | | |
| Comment: | Inspection #696204789 observed unused pipe equipment stored within the containment berm of the 95 bbl condensate tank. Inspection required Operator to comply with Rule 606 by 3/15/2023. It was observed in this inspection that the unused pipe equipment remains improperly stored within the containment berm. CA has not been addressed and remains applicable. | | |
| Corrective Action: | Comply with Rule 606. | Date: | 03/15/2023 |

Overall Good: ☐**Spills:**

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

In Containment: No

Comment: ☐ Multiple Spills and Releases?**Tanks and Berms:**

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|---|----------|-----------|---------|--------|
| CONDENSATE | 1 | OTHER | STEEL AST | | , |
| Comment: | | | | | |
| Corrective Action: | | | | | Date: |

Paint

| | |
|-----------------|----------------------|
| Condition | <input type="text"/> |
| Other (Content) | 95 bbl |

| | |
|------------------|--|
| Other (Capacity) | |
| Other (Type) | |

Berms

| | | | | |
|--------------------|---|---------------------|---------------------|------------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Metal | | Walls Insufficient | Base Insufficient | Inadequate |
| Comment: | <p>Inspection #696204748 observed that the secondary containment BMP is not sufficiently impervious to contain spilled or released materials; various holes/tears observed throughout liner. Inspection required Operator to maintain BMP to ensure containment is sufficiently impervious to contain spill or release by 4/8/2023.</p> <p>Corrective action has not been addressed and remains applicable.</p> | | | |
| Corrective Action: | Maintain BMP to ensure containment is sufficiently impervious to contain spill or release | | | Date: 04/08/2023 |

Venting:

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

Flaring:

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

| Inspected Facilities | | | | |
|----------------------------|-----------------------|------------------------------|-------------------|-------------------------|
| Facility ID: <u>285007</u> | Type: <u>WELL</u> | API Number: <u>045-12348</u> | Status: <u>PR</u> | Insp. Status: <u>RI</u> |
| Facility ID: <u>285008</u> | Type: <u>WELL</u> | API Number: <u>045-12347</u> | Status: <u>PR</u> | Insp. Status: <u>RI</u> |
| Facility ID: <u>285009</u> | Type: <u>WELL</u> | API Number: <u>045-12346</u> | Status: <u>PR</u> | Insp. Status: <u>RI</u> |
| Facility ID: <u>285010</u> | Type: <u>WELL</u> | API Number: <u>045-12345</u> | Status: <u>PR</u> | Insp. Status: <u>RI</u> |
| Facility ID: <u>285011</u> | Type: <u>WELL</u> | API Number: <u>045-12344</u> | Status: <u>PR</u> | Insp. Status: <u>RI</u> |
| Facility ID: <u>335596</u> | Type: <u>LOCATION</u> | API Number: <u>-</u> | Status: <u>AC</u> | Insp. Status: <u>RI</u> |

Reclamation - Storm Water - Pit**Storm Water:**

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| | | | | | | |

Comment: Inspection #696204748 observed that BMPs to minimize erosion, degradation, tracking and sediment transport are missing or insufficient at the Location and access road; tracking/degradation/sediment transport observed. Inspections required Operator to comply with 1002.f.

It was observed in this inspection that Operator appears to have graded the Location and road since the previous inspection, however stormwater and erosion control BMPs, including tracking controls, remain missing or insufficient; degradation has persisted. Repairing only by grading is insufficient. BMP's must be implemented in accordance with good engineering practices and must be maintained.

This corrective action has not been addressed and remains applicable.

Corrective Action: **Install or repair required BMPs per Rule 1002.f.**

Date: 03/11/2023

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 |
|--------------|-------------------|---|
| 696204785 | Inspection Photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6060643 |