

**FORM
INSP**Rev
05/11**State of Colorado
Oil and Gas Conservation Commission**1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109

| DE | ET | OE | ES |
|----|----|----|----|
|----|----|----|----|

Inspection Date:
07/16/2014Document Number:
674700029

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

| | | | | | |
|---------------------|-------------|--------|-----------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | 335013 | 335013 | LONGWORTH, MIKE | <input type="checkbox"/> | |

Operator Information:OGCC Operator Number: 10456Name of Operator: CAERUS PICEANCE LLCAddress: 600 17TH STREET #1600NCity: DENVER State: CO Zip: 80202

- ☐ THIS IS A FOLLOW UP INSPECTION
- ☒ FOLLOW UP INSPECTION REQUIRED
- ☐ NO FOLLOW UP INSPECTION REQUIRED
- ☒ INSPECTOR REQUESTS FORM 42 WHEN CORRECTIVE ACTIONS ARE COMPLETED

Contact Information:

| Contact Name | Phone | Email | Comment |
|-----------------|-------|------------------------------|---------|
| Kellerby, Shaun | | shaun.kellerby@state.co.us | |
| Winters, Ed | | ewinters@caerusoilandgas.com | |

Compliance Summary:QtrQtr: NWNW Sec: 17 Twp: 7S Range: 96W**Inspector Comment:****Related Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status | |
|-------------|------|--------|-------------|------------|-----------|------------------|-------------|-------------------------------------|
| 264317 | WELL | AL | 06/11/2003 | LO | 045-08207 | PUCKETT 796-17 1 | AL | <input type="checkbox"/> |
| 269462 | WELL | PR | 01/31/2005 | LO | 045-09376 | PUCKETT 44C-7D | PR | <input checked="" type="checkbox"/> |
| 269463 | WELL | PR | 01/31/2005 | GW | 045-09375 | PUCKETT 11C-17D | PR | <input checked="" type="checkbox"/> |
| 269464 | WELL | PR | 01/31/2005 | GW | 045-09374 | PUCKETT 42C-18D | PR | <input checked="" type="checkbox"/> |
| 269465 | WELL | PR | 01/31/2005 | GW | 045-09373 | PUCKETT 41C-18D | PR | <input checked="" type="checkbox"/> |
| 269466 | WELL | PR | 01/01/2011 | GW | 045-09372 | PUCKETT 22C-17D | PR | <input checked="" type="checkbox"/> |
| 269467 | WELL | PR | 10/12/2004 | GW | 045-09371 | PUCKETT 12C-17D | PR | <input checked="" type="checkbox"/> |
| 269515 | WELL | PR | 01/31/2005 | GW | 045-09377 | PUCKETT 21C-17D | PR | <input checked="" type="checkbox"/> |

Equipment:**Location Inventory**

| | | | |
|------------------------------|------------------------|---------------------|-------------------------|
| Special Purpose Pits: _____ | Drilling Pits: _____ | Wells: _____ | Production Pits: _____ |
| Condensate Tanks: _____ | Water Tanks: _____ | Separators: _____ | Electric Motors: _____ |
| Gas or Diesel Mortors: _____ | Cavity Pumps: _____ | LACT Unit: _____ | Pump Jacks: _____ |
| Electric Generators: _____ | Gas Pipeline: _____ | Oil Pipeline: _____ | Water Pipeline: _____ |
| Gas Compressors: _____ | VOC Combustor: _____ | Oil Tanks: _____ | Dehydrator Units: _____ |
| Multi-Well Pits: _____ | Pigging Station: _____ | Flare: _____ | Fuel Tanks: _____ |

Location

| Lease Road: | | | | |
|--------------------|------------------------------|---|-------------------|------|
| Type | Satisfactory/Action Required | comment | Corrective Action | Date |
| Access | SATISFACTORY | Road needs to maintained and weed control needed. | | |

| Signs/Marker: | | | | |
|----------------------|------------------------------|---------|-------------------|---------|
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| WELLHEAD | SATISFACTORY | | | |
| BATTERY | SATISFACTORY | | | |
| TANK LABELS/PLACARDS | SATISFACTORY | | | |
| CONTAINERS | SATISFACTORY | | | |

| | | | |
|-----------------------------------|---|------------------|-----------------------------|
| Emergency Contact Number (S/A/V): | <u>SATISFACTORY</u> | Corrective Date: | <u> </u> |
| Comment: | <u> </u> | | |

| Good Housekeeping: | | | | |
|---------------------------|------------------------------|--|--------------------------------------|------------|
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| WEEDS | SATISFACTORY | Continue weed control on road way and location | | |
| TRASH | ACTION REQUIRED | See photos | Pick up trash | 07/25/2014 |
| STORAGE OF SUPL | ACTION REQUIRED | See photos | Remove unneeded and unused equipment | 07/25/2014 |

| Spills: | | | | |
|--|------|--------|-------------------|---------|
| Type | Area | Volume | Corrective action | CA Date |
| <input type="checkbox"/> Multiple Spills and Releases? | | | | |

| Fencing/: | | | | |
|------------------|------------------------------|---------|-------------------|---------|
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| WELLHEAD | SATISFACTORY | | | |
| TANK BATTERY | SATISFACTORY | | | |
| SEPARATOR | SATISFACTORY | | | |

| Equipment: | | | | | |
|-----------------------------|---|------------------------------|---|---|------------|
| Type | # | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| Horizontal Heated Separator | 7 | SATISFACTORY | | | |
| Dehydrator | 1 | ACTION REQUIRED | Dehydrator is rusting. Staining and undisposed of asorbent pads under dehydrator. | Maintain dehydrator integrity. Clean up staining and asorbent pads. | 08/08/2014 |
| Ancillary equipment | 2 | SATISFACTORY | Chemical containers at tank battery | | |
| Bird Protectors | 6 | SATISFACTORY | | | |

Inspector Name: LONGWORTH, MIKE

| | | | | | |
|--------------|---|--------------|--|--|--|
| Plunger Lift | 7 | SATISFACTORY | | | |
|--------------|---|--------------|--|--|--|

Facilities: ☐ New Tank Tank ID: _____

| Contents | # | Capacity | Type | SE GPS |
|------------|---|----------|-----------|-----------------------|
| CONDENSATE | 1 | 400 BBLS | STEEL AST | 39.441620,-108.138540 |

| | |
|---------------------|----------|
| S/A/V: SATISFACTORY | Comment: |
|---------------------|----------|

| | |
|--------------------|------------------|
| Corrective Action: | Corrective Date: |
|--------------------|------------------|

Paint

| | |
|-----------|----------|
| Condition | Adequate |
|-----------|----------|

Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|-------|----------|---------------------|---------------------|-------------|
| Metal | Adequate | Walls Sufficient | Base Sufficient | Adequate |

| | |
|-------------------|-----------------|
| Corrective Action | Corrective Date |
|-------------------|-----------------|

| |
|---------|
| Comment |
|---------|

Facilities: ☐ New Tank Tank ID: _____

| Contents | # | Capacity | Type | SE GPS |
|----------|---|----------|-----------|--------|
| GLYCOL | 1 | <50 BBLS | STEEL AST | , |

| | |
|---------------------|----------|
| S/A/V: SATISFACTORY | Comment: |
|---------------------|----------|

| | |
|--------------------|------------------|
| Corrective Action: | Corrective Date: |
|--------------------|------------------|

Paint

| | |
|-----------|----------|
| Condition | Adequate |
|-----------|----------|

Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|-------|----------|---------------------|---------------------|-------------|
| Metal | Adequate | Walls Sufficient | Base Sufficient | Inadequate |

| | | | |
|-------------------|----------------------------|-----------------|------------|
| Corrective Action | Maintain good housekeeping | Corrective Date | 07/25/2014 |
|-------------------|----------------------------|-----------------|------------|

| | |
|---------|----------------------------|
| Comment | Junk inside of containment |
|---------|----------------------------|

Facilities: ☐ New Tank Tank ID: _____

| Contents | # | Capacity | Type | SE GPS |
|----------------|---|----------|-----------|--------|
| PRODUCED WATER | 1 | 400 BBLS | STEEL AST | , |

| | | | |
|--------------------|--------------|------------------|--|
| S/A/V: | SATISFACTORY | Comment: | |
| Corrective Action: | | Corrective Date: | |

Paint

| | |
|-----------|----------|
| Condition | Adequate |
|-----------|----------|

Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|------|----------|---------------------|---------------------|-------------|
| | | | | |

| | | | |
|-------------------|--|-----------------|--|
| Corrective Action | | Corrective Date | |
| Comment | | | |

Venting:

| | |
|--------|---------|
| Yes/No | Comment |
| | |

Flaring:

| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
|------|------------------------------|---------|-------------------|---------|
| | | | | |

Predrill

Location ID: 335013

Site Preparation:

Lease Road Adeq.: _____

Pads: _____

Soil Stockpile: _____

S/A/V: _____

Corrective Action: _____

Date: _____ CDP Num.: _____

Form 2A COAs:**S/A/V:** _____ **Comment:** _____**CA:** _____ **Date:** _____**Wildlife BMPs:****S/A/V:** _____ **Comment:** _____**CA:** _____ **Date:** _____**Stormwater:****Comment:** _____**Staking:****On Site Inspection (305):**Surface Owner Contact Information:

Name: _____

Address: _____

Phone Number: _____

Cell Phone: _____

Operator Rep. Contact Information:

Landman Name: _____

Phone Number: _____

Date Onsite Request Received: _____

Date of Rule 306 Consultation: _____

Request LGD Attendance: _____

LGD Contact Information:

Name: _____ Phone Number: _____ Agreed to Attend: _____

Summary of Landowner Issues:Summary of Operator Response to Landowner Issues:Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:**Facility**

Facility ID: 269462 Type: WELL API Number: 045-09376 Status: PR Insp. Status: PR

Producing Well

Comment: Producing well

Facility ID: 269463 Type: WELL API Number: 045-09375 Status: PR Insp. Status: PR

Producing Well

Comment: Producing well

Facility ID: 269464 Type: WELL API Number: 045-09374 Status: PR Insp. Status: PR

Producing Well

Comment: Producing well

Facility ID: 269465 Type: WELL API Number: 045-09373 Status: PR Insp. Status: PR

Producing Well

Comment: Producing well

Facility ID: 269466 Type: WELL API Number: 045-09372 Status: PR Insp. Status: PR

Producing Well

Comment: Producing well

Facility ID: 269467 Type: WELL API Number: 045-09371 Status: PR Insp. Status: PR

Producing Well

Comment: Producing well

Facility ID: 269515 Type: WELL API Number: 045-09377 Status: PR Insp. Status: PR

Producing Well

Comment: Producing well

Environmental**Spills/Releases:**

Type of Spill: _____ Description: _____ Estimated Spill Volume: _____

Comment: _____

Corrective Action: _____ Date: _____

Reportable: _____ GPS: Lat _____ Long _____

Proximity to Surface Water: _____ Depth to Ground Water: _____

Water Well:

Lat _____ Long _____

DWR Receipt Num: _____ Owner Name: _____ GPS : _____

Field Parameters:

Sample Location: _____

Emission Control Burner (ECB): _____

Comment: _____

Pilot: _____ Wildlife Protection Devices (fired vessels): _____

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

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: _____

Comment: _____

1003a. Debris removed? _____ CM _____

CA _____ CA Date _____

Waste Material Onsite? _____ CM _____

CA _____ CA Date _____

Unused or unneeded equipment onsite? _____ CM _____
 CA _____ CA Date _____
 Pit, cellars, rat holes and other bores closed? _____ CM _____
 CA _____ CA Date _____
 Guy line anchors removed? _____ CM _____
 CA _____ CA Date _____
 Guy line anchors marked? _____ CM _____
 CA _____ CA Date _____

1003b. Area no longer in use? _____ Production areas stabilized ? _____
 1003c. Compacted areas have been cross ripped? _____
 1003d. Drilling pit closed? _____ Subsidence over on drill pit? _____
 Cuttings management: _____
 1003e. Areas no longer needed for drilling or subsequent operations for have been re-vegetated to 80% of pre-existing? _____
 Production areas have been stabilized? _____ Segregated soils have been replaced? _____

RESTORATION AND REVEGETATIONCropland

Top soil replaced _____ Recontoured _____ Perennial forage re-established _____

Non-Cropland

Top soil replaced _____ Recontoured _____ 80% Revegetation _____

1003 f. Weeds Noxious weeds? _____

Comment: _____

Overall Interim Reclamation _____

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____ Date Final Reclamation Completed: _____

Final Land Use: _____

Reminder: _____

Comment: _____

Well plugged _____ Pit mouse/rat holes, cellars backfilled _____
 Debris removed _____ No disturbance /Location never built _____
 Access Roads Regraded _____ Contoured _____ Culverts removed _____
 Gravel removed _____
 Location and associated production facilities reclaimed _____ Locations, facilities, roads, recontoured _____
 Compaction alleviation _____ Dust and erosion control _____
 Non cropland: Revegetated 80% _____ Cropland: perennial forage _____
 Weeds present _____ Subsidence _____

Comment: _____

Corrective Action: _____ Date _____

Overall Final Reclamation _____ Well Release on Active Location ☐ Multi-Well Location ☐

Inspector Name: LONGWORTH, MIKE

| Storm Water: | | | | | | |
|---------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
| Ditches | Pass | Culverts | Pass | | | |
| Seeding | Pass | Gravel | Pass | | | |
| Compaction | Pass | Compaction | Pass | MHSP | Pass | |
| Gravel | Pass | Ditches | Fail | | | |

S/A/V: **ACTION REQUIRED** Corrective Date: **08/15/2014**

Comment: **Lease road ditch needs cleaned out and maintained.**

CA: **Maintain BMPs**

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 |
|--------------|---|---|
| 674700030 | Battery and signs junk/trash behind signs | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3388141 |
| 674700031 | Rusted dehydrator and unused equipment | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3388142 |
| 674700032 | Containment with junk | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3388143 |
| 674700033 | Rusted dehydrator | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3388144 |
| 674700034 | Poly line along edge of location | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3388145 |
| 674700035 | Stock tanks with dirt and weeds | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3388146 |