

CAERUS PICEANCE, LLC
Piceance Basin, Colorado

Exploration and Production Waste Management Plan
Management of Sand Removed from Wellbore

This Waste Management Plan (WMP) outlines the operational requirements to be followed by Caerus Piceance, LLC (Caerus) when temporarily storing wellbore sand on the Unocal 4 pad location (Site) (Location ID 335778) in support of lease operations. This sand could originate from multiple Caerus production sites during workover operations, production separator cleanouts, flowback operations, etc. Sand accumulated during these activities will be temporarily stored at the Site. Once a full truck load of sand has accumulated, the sand will be transported to a licensed disposal facility.

No other exploration and production (E&P) waste will be stored or managed at the Site except for wastes directly associated with the above-mentioned processes. Any changes made to this WMP will be provided to the Colorado Oil and Gas Conservation Commission (COGCC) via a Sundry Notice.

Transportation Operations to Temporary Storage Facility (Unocal 4)

Sand will be transported to the Site by contractors hired by Caerus. Personnel designated to handle this sand will be trained and informed of the nature and risks posed by this type of waste. In addition, these individuals shall be required to wear appropriate personal protective equipment while handling the sand. All employees involved with the handling of the sand will be trained to understand and implement the WMP components that are relevant to their responsibilities.

Any spills or releases occurring during transport will be reported to Caerus environmental staff immediately. Contractors hired to transport the sand to the Site will not be responsible for reporting spills or releases to the COGCC. This will be the responsibility of Caerus environmental staff.

Site Security and Containment

Once the sand has been transported to the Site, it will be deposited in a storage container designated to store only this sand. All personnel responsible for transporting and hauling this sand will be trained and made aware of this container. Caerus staff will communicate all necessary information to the contractors responsible for safely depositing the sand.

While storing this sand, this container should be:

- In good condition and not leaking;
- Compatible with the materials it is storing to avoid corrosion or chemical reactions that could result in fire; and

- Not operated in ways that could cause leaks or spills.

The Site will be visited daily by Caerus staff. They will conduct daily inspections on the volume of sand being stored in the container, presence of any liquids, and check for any spills or releases. Any accumulated liquid will be removed promptly and disposed of at a licensed disposal facility. Site access is limited to staff responsible for the Site and its associated production infrastructure.

Permanent Disposal Operations (Shipping)

Procedures for loading the sand for transportation will be designed to reduce the risk of loss, leakage, or exposure to hazardous materials during loading and shipment.

Shipments will be tracked and documented to communicate potential hazards. Specific requirements include manifesting, choosing appropriate waste transporters and shipment destinations, recordkeeping, and reporting.

After being temporarily stored at the Site, the sand will be transported by Caerus contractors to South Canyon Landfill in Glenwood Springs, Colorado or ECDC Landfill in East Carbon, Utah. The following documentation procedures will be followed to comply with COGCC regulations:

1. A Waste Generation Manifest Log will be generated and maintained for a period of no less than five years after the project completion date for the transportation of the materials from the Site to the disposal locations mentioned above. The Waste Generation Manifest Log will include the following information:
 - The date of the transport;
 - The identity of the waste generator;
 - The identity of the waste transporter;
 - The location of the waste pickup site;
 - The type and volume of waste; and
 - The name and location of the treatment or disposal site.
2. Delivery confirmation will be obtained from the disposal facilities.
3. All records will be available to the COGCC upon request.