

**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

Inspection Date:

03/07/2016

Document Number:

674702463

Overall Inspection:

SATISFACTORY**FIELD INSPECTION FORM**

| | | | | | |
|---------------------|-------------|--------|-----------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | 335206 | 335206 | 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 |
|------------------|-------|------------------------------|--------------|
| Elsener, Garrett | | garrett@caerusoilandgas.com | |
| Janicek, Jake | | JJanicek@caerusoilandgas.com | |
| McKee, Michael | | MMckee@caerusoilandgas.com | EHS Engineer |

Compliance Summary:QtrQtr: NWSW Sec: 16 Twp: 6S Range: 96W

| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Action Required | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|-------------------------------|----------|----------------|-----------------|
| 01/11/2016 | 674702267 | | | SATISFACTORY | | | No |
| 01/11/2016 | 674702268 | | | SATISFACTORY | | Pass | No |
| 12/19/2014 | 674700764 | | | ACTION REQUIRED | | | No |
| 05/15/2014 | 663903201 | | | SATISFACTORY | | | No |
| 01/22/2014 | 663902680 | | | SATISFACTORY | I | | No |
| 05/24/2013 | 663801055 | | | SATISFACTORY | I | | No |

Inspector Comment:**Related Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status | |
|-------------|------|--------|-------------|------------|-----------|-----------------------|-------------|-------------------------------------|
| 258628 | WELL | PR | 12/06/2000 | GW | 045-07645 | UNOCAL 24-16D | PR | <input checked="" type="checkbox"/> |
| 258629 | WELL | PA | 03/05/2008 | GW | 045-07646 | UNOCAL 23-16D | PA | <input type="checkbox"/> |
| 258630 | WELL | PR | 08/31/2001 | GW | 045-07647 | UNOCAL 14-16D | PR | <input checked="" type="checkbox"/> |
| 258631 | WELL | PR | 05/01/2012 | GW | 045-07648 | UNOCAL 13-16D | PR | <input checked="" type="checkbox"/> |
| 288392 | WELL | PR | 09/28/2007 | GW | 045-13242 | UNCOAL-ENCANA 14D-16D | PR | <input checked="" type="checkbox"/> |

Inspector Name: LONGWORTH, MIKE

| | | | | | | | | |
|--------|------|----|------------|----|-----------|-----------------------|----|-------------------------------------|
| 288393 | WELL | PR | 09/28/2007 | GW | 045-13241 | UNOCAL-ENCANA 14B-16D | PR | <input checked="" type="checkbox"/> |
| 288394 | WELL | PR | 02/12/2007 | GW | 045-13240 | UNOCAL-ENCANA 14A-16D | PR | <input checked="" type="checkbox"/> |
| 288401 | WELL | PR | 09/28/2007 | GW | 045-13233 | UNCOAL-ENCANA 24B-16D | PR | <input checked="" type="checkbox"/> |
| 288402 | WELL | PR | 07/31/2007 | GW | 045-13232 | UNOCAL-ENCANA 24D-16D | 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 Motors: _____ | 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 |
|------|------------------------------|---------|-------------------|------|
| | | | | |

Signs/Marker:

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

Emergency Contact Number (S/AR): SATISFACTORY

Corrective Date: _____

Comment: 866-580-9382

Corrective Action: _____

Good Housekeeping:

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

Spills:

| Type | Area | Volume | Corrective action | CA Date |
|------|------|--------|-------------------|---------|
|------|------|--------|-------------------|---------|

☐ Multiple Spills and Releases?**Fencing/:**

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

| | | | |
|-----------------------------------|-----|-------------------------------|--------------|
| Equipment: | | | |
| Type: Horizontal Heated Separator | # 9 | Satisfactory/Action Required: | SATISFACTORY |
| Comment | | | |
| Corrective Action | | Date: | |
| Type: Bird Protectors | # 5 | Satisfactory/Action Required: | SATISFACTORY |
| Comment | | | |
| Corrective Action | | Date: | |
| Type: Plunger Lift | # 8 | Satisfactory/Action Required: | SATISFACTORY |
| Comment | | | |
| Corrective Action | | Date: | |

| | | | | |
|--------------------|--------------|-----------------------------------|----------------|------------------|
| Facilities: | | <input type="checkbox"/> New Tank | Tank ID: _____ | |
| Contents | # | Capacity | Type | SE GPS |
| PRODUCED WATER | 1 | 200 BBLS | PBV STEEL | , |
| S/AR | 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: | | <input type="checkbox"/> New Tank | Tank ID: _____ | |
| Contents | # | Capacity | Type | SE GPS |
| CONDENSATE | 1 | 300 BBLS | STEEL AST | , |
| S/AR | 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 | | | | |

Venting:

Yes/No NO

Comment

Flaring:

| | | | |
|--------------------|------------------------------|----------------------|--|
| Type | Satisfactory/Action Required | | |
| Comment: | | | |
| Corrective Action: | | Correct Action Date: | |

Predrill

Location ID: 335206

Site Preparation:

Lease Road Adeq.: _____ Pads: _____ Soil Stockpile: _____

S/AR: _____

Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:

S/AR: _____ Comment: _____

CA: _____ Date: _____

Wildlife BMPs:

S/AR: _____ Comment: _____

CA: _____ Date: _____

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: 258628 Type: WELL API Number: 045-07645 Status: PR Insp. Status: PR

Producing Well

Comment: Producing well

Facility ID: 258630 Type: WELL API Number: 045-07647 Status: PR Insp. Status: PR

Producing Well

Comment: Producing well

Facility ID: 258631 Type: WELL API Number: 045-07648 Status: PR Insp. Status: PR

Producing Well

Comment: Producing well

Facility ID: 288392 Type: WELL API Number: 045-13242 Status: PR Insp. Status: PR

Producing Well

Comment: Producing well

Facility ID: 288393 Type: WELL API Number: 045-13241 Status: PR Insp. Status: PR

Producing Well

Comment: Producing well

Facility ID: 288394 Type: WELL API Number: 045-13240 Status: PR Insp. Status: PR

Producing Well

Comment: Producing well

Facility ID: 288401 Type: WELL API Number: 045-13233 Status: PR Insp. Status: PR

Producing Well

Comment: Producing well

Facility ID: 288402 Type: WELL API Number: 045-13232 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:

DWR Receipt Num: Owner Name: GPS: Lat Long

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. Waste and Debris removed? Pass

CM _____

CA _____

CA Date _____

Unused or unneeded equipment onsite? Pass

CM _____

CA _____

CA Date _____

Pit, cellars, rat holes and other bores closed? _____

CM _____

CA _____

CA Date _____

Guy line anchors marked? Pass

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 _____

Inspector Name: LONGWORTH, MIKE

| | | | |
|---|--|---|------------------------|
| 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: | <input type="text"/> | | |
| Corrective Action: | <input type="text"/> | Date _____ | |
| Overall Final Reclamation _____ | Well Release on Active Location <input type="checkbox"/> | Multi-Well Location <input type="checkbox"/> | |

Storm Water:

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| | | Check Dams | Pass | | | |
| Ditches | Pass | | | | | |
| Berms | Pass | | | | | |
| | | Ditches | Pass | | | |
| Gravel | Pass | | | | | |
| Seeding | Pass | | | | | |
| | | Gravel | Pass | | | |
| | | Culverts | Pass | | | |

S/A/V: SATISFACTOR
Y Corrective Date: _____

Comment:

CA:

Pits: ☒ NO SURFACE INDICATION OF PIT