

**FORM
INSP**Rev
X/15**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:

08/12/2019

Submitted Date:

08/15/2019

Document Number:

698100059**FIELD INSPECTION FORM**Loc ID 335635 Inspector Name: Arauza, Steven On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**OGCC Operator Number: 10456Name of Operator: CAERUS PICEANCE LLCAddress: 1001 17TH STREET #1600City: DENVER State: CO Zip: 80202**Status Summary:**

- ☒ THIS IS A FOLLOW UP INSPECTION
- ☐ FOLLOW UP INSPECTION REQUIRED
- ☐ NO FOLLOW UP INSPECTION REQUIRED

Findings:11 Number of Comments6 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 |
|---------------|-------|---------------------------------------|------------------|
| Janicek, Jake | | JJanicek@caerusoilandgas.com | EHS Professional |
| Hughes, Jim | | jimo.hughes@state.co.us | |
| , | | COGCC.inspections@caerusoilandgas.com | All Inspections |
| , | | lrider@caerusoilandgas.com | |
| Heil, John | | john.heil@state.co.us | |
| Fischer, Alex | | alex.fischer@state.co.us | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------------------|--------|-------------|------------|-----------|----------------------------|-------------|
| 290079 | WELL | PR | 01/11/2010 | GW | 045-13967 | N PARACHUTE EF12A-19L19595 | EI |
| 290080 | WELL | PR | 04/09/2009 | GW | 045-13966 | N PARACHUTE EF12B-19L19595 | EI |
| 291691 | WELL | PR | 02/01/2011 | GW | 045-14496 | N PARACHUTE EF05B-19L19595 | EI |
| 291692 | WELL | PR | 09/13/2011 | GW | 045-14495 | N PARACHUTE EF05D-19L19595 | EI |
| 291697 | WELL | PR | 01/11/2010 | GW | 045-14493 | N PARACHUTE EF04D-19L19595 | EI |
| 466606 | SPILL OR RELEASE | AC | 08/09/2019 | | - | L19-595 Dumpline | EI |

General Comment:

COGCC Environmental inspection conducted by EPS staff S. Arauza and J. Heil. Follow-up to Spill/Release Point ID #466606. Weather conditions during inspection were sunny and 77 degrees Fahrenheit.

Areas downgradient from reported spill, to north and east of pad, were inspected for potential impacts related to Spill/Release Point ID #466606. No hydrocarbon odors, staining, or sheens were observed in downgradient areas on inspection date.

LocationOverall Good: ☐

Emergency Contact Number:

Comment: Corrective Action: Date: **Good Housekeeping:**

| | | | |
|--------------------|---|-------|------------|
| Type | STORAGE OF SUPL | | |
| Comment: | Assorted metal equipment and pipe stored inside of tank battery secondary containment area. See photos. | | |
| Corrective Action: | Comply with Rule 603.f. (tank battery) | Date: | 09/15/2019 |
| Type | DEBRIS | | |
| Comment: | Metal scraps inside of wellhead area. See photos. | | |
| Corrective Action: | Comply with Rule 603.f (wellhead area) | Date: | 08/25/2019 |

Overall Good: ☐

| | | | | |
|--------------------|--|----------|--|------------------|
| Spills: | | | | |
| Type | Area | Volume | | |
| Other | WELLHEAD | <= 1 bbl | | |
| Comment: | Localized accumulations of oil-stained soil beneath NP EF12B-19 L19 595 and NP EF05D-19 L19 595 wellheads. See photos. | | | |
| Corrective Action: | Control and contain spills/releases and clean up per Rule 906.a. | | | Date: 09/15/2019 |

In Containment: No

Comment: ☐ Multiple Spills and Releases?

| | | | | |
|--------------------|--|--|--|------------------|
| Equipment: | | | | corrective date |
| Type: Other | # 2 | | | |
| Comment: | Localized accumulations of oil-stained soil beneath NP EF12B-19 L19 595 and NP EF05D-19 L19 595 wellheads. See photos. | | | |
| Corrective Action: | Securely fasten all valves, pipes, and fittings to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 605.d. | | | Date: 09/15/2019 |
| Type: Flow Line | # 2 | | | |
| Comment: | Unused, plugged 2" flowline risers north of separators and east of separators (inside of excavation) neither locked out nor tagged out. See photos. | | | |
| Corrective Action: | Mark and tag out unused flowline risers within 24 hours. If risers are to remain unused, remove within 30 days of receipt of this inspection report. | | | Date: 08/16/2019 |
| Type: Flow Line | # 4 | | | |
| Comment: | Process piping risers daylight south of gas meter shed. See photos. | | | |
| Corrective Action: | Securely fasten all valves, pipes, and fittings to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 605.d. (process pipe) | | | Date: 09/15/2019 |

Tanks and Berms:

| | | | | | | |
|--------------------|---|----------|-----------|---------|--------|-------|
| Contents | # | Capacity | Type | Tank ID | SE GPS | |
| OTHER | 4 | OTHER | STEEL AST | | , | |
| Comment: | | | | | | |
| Corrective Action: | | | | | | Date: |

Paint

| | |
|------------------|--|
| Condition | |
| Other (Content) | 2 produced water, 2 condensate |
| Other (Capacity) | 3 300 bbl ASTs, 1 250 bbl condensate AST |
| Other (Type) | |

Berms

| | | | | |
|--------------------|---|---------------------|---------------------|-------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Metal | Adequate | Walls Sufficent | | Adequate |
| Comment: | No holes or tears observed in visible portions of tank battery liner. | | | |
| Corrective Action: | | | | Date: |

Venting:

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

Flaring:

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

| Inspected Facilities | | | | | | | | | |
|----------------------|---------------|-------|-----------------|-------------|------------------|---------|-----------|---------------|-----------|
| Facility ID: | <u>290079</u> | Type: | <u>WELL</u> | API Number: | <u>045-13967</u> | Status: | <u>PR</u> | Insp. Status: | <u>EI</u> |
| | | | | | | | | | |
| Facility ID: | <u>290080</u> | Type: | <u>WELL</u> | API Number: | <u>045-13966</u> | Status: | <u>PR</u> | Insp. Status: | <u>EI</u> |
| | | | | | | | | | |
| Facility ID: | <u>291691</u> | Type: | <u>WELL</u> | API Number: | <u>045-14496</u> | Status: | <u>PR</u> | Insp. Status: | <u>EI</u> |
| | | | | | | | | | |
| Facility ID: | <u>291692</u> | Type: | <u>WELL</u> | API Number: | <u>045-14495</u> | Status: | <u>PR</u> | Insp. Status: | <u>EI</u> |
| | | | | | | | | | |
| Facility ID: | <u>291697</u> | Type: | <u>WELL</u> | API Number: | <u>045-14493</u> | Status: | <u>PR</u> | Insp. Status: | <u>EI</u> |
| | | | | | | | | | |
| Facility ID: | <u>466606</u> | Type: | <u>SPILL OR</u> | API Number: | <u>-</u> | Status: | <u>AC</u> | Insp. Status: | <u>EI</u> |
| | | | | | | | | | |

Environmental**Spill/Remediation:**Comment: [Operator's Supplemental Spill/Release Report \(doc #402145049\)](#) is currently under COGCC review.Corrective
Action:

Date: _____

Emission Control Burner (ECB): _____

Comment: _____

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

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

| Document Num | Description | URL |
|--------------|-------------------------|---|
| 402145713 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4910153 |
| 698100062 | 20190812 field photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4910152 |