

**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:

11/10/2020

Submitted Date:

11/10/2020

Document Number:

699802098**FIELD INSPECTION FORM**Loc ID 311752 Inspector Name: De Paolo, Corey 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 Comments2 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 |
|-----------------|-------|---|---------|
| , Caerus        |       | COGCC.inspections@caerus<br>oilandgas.com |         |
| Kellerby, Shaun |       | shaun.kellerby@state.co.us                |         |

**Inspected Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num   | Facility Name                   | Insp Status |
|-------------|------|--------|-------------|------------|-----------|---------------------------------|-------------|
| 278145      | WELL | PR     | 08/01/2019  | GW         | 077-08901 | ORCHARD UNIT 17-13DT<br>(M17OU) | PR          |

**General Comment:****COGCC Inspection Report Summary**

On Tuesday 11/10/20 at approximately 14:00 hours, I, Inspector Corey De Paolo,  
Conducted an on-site inspection at CAERUS PICEANCE LLC ORCHARD-68S96W /17SWSW,  
Location #311752 in Mesa County Colorado.

While there, I observed normal production operations.

During this inspection the following possible compliance issues were observed: Pressure transducer present on braden head. Braden head valves are not accessible on well 17-13DT. See photo #2235 with a corrective action date of 12/10/20. Sediment is being transported off of location and on to access road. No tracking BMP present the access road ends at location. See photo #2233, #2234 and #2236 with a corrective action date of 11/25/20.

A follow up on this site inspection needs to be conducted to ensure the  
Compliance issues have been corrected to comply with COGCC rules.  
This is a summary of inspection report.

**Location****Lease Road:**

|                   |        |       |  |
|-------------------|--------|-------|--|
| Type              | Access |       |  |
| comment:          |        |       |  |
| Corrective Action |        | Date: |  |

Overall Good: ☒**Signs/Marker:**

|                    |                      |       |  |
|--------------------|----------------------|-------|--|
| Type               | TANK LABELS/PLACARDS |       |  |
| Comment:           |                      |       |  |
| Corrective Action: |                      | Date: |  |
| Type               | BATTERY              |       |  |
| Comment:           |                      |       |  |
| Corrective Action: |                      | Date: |  |
| Type               | CONTAINERS           |       |  |
| Comment:           | Chemical tank        |       |  |
| Corrective Action: |                      | Date: |  |
| Type               | WELLHEAD             |       |  |
| Comment:           |                      |       |  |
| Corrective Action: |                      | Date: |  |

Emergency Contact Number:

|                    |     |       |  |
|--------------------|-----|-------|--|
| Comment:           | 911 |       |  |
| Corrective Action: |     | Date: |  |

**Good Housekeeping:**

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

Overall Good: ☒**Spills:**

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

In Containment: No

Comment: ☐ Multiple Spills and Releases?**Equipment:**

|                                   |     |       |                 |
|-----------------------------------|-----|-------|-----------------|
| Type: Horizontal Heated Separator | # 1 |       | corrective date |
| Comment:                          |     |       |                 |
| Corrective Action:                |     | Date: |                 |
| Type: Bird Protectors             | # 2 |       |                 |
| Comment:                          |     |       |                 |
| Corrective Action:                |     | Date: |                 |

|                                 |  |  |                  |
|---------------------------------|--|--|------------------|
| Type: Gas Meter Run             | # 1  |  |                  |
| Comment:                        |  |  |                  |
| Corrective Action:              |  |  | Date:            |
| Type: Plunger Lift              | # 1  |  |                  |
| Comment:                        |  |  |                  |
| Corrective Action:              |  |  | Date:            |
| Type: Bradenhead                | # 1  |  |                  |
| Comment:                        | Pressure transducer present on braden head. Braden head valves are not accessible on well 17-13DT. See photo #2235                     |  |                  |
| Corrective Action:              | All valves used for annular pressure monitoring shall remain exposed and not buried to allow for COGCC visual inspection at all times. |  | Date: 12/10/2020 |
| Type: Vertical Heated Separator | # 3  |  |                  |
| Comment:                        |  |  |                  |
| Corrective Action:              |  |  | Date:            |
| Type: Ancillary equipment       | # 1  |  |                  |
| Comment:                        | Chemical tank by wellhead  |  |                  |
| Corrective Action:              |  |  | Date:            |

**Tanks and Berms:**

|                    |   |          |           |         |        |       |
|--------------------|---|----------|-----------|---------|--------|-------|
| Contents           | # | Capacity | Type      | Tank ID | SE GPS |       |
| METHANOL           | 1 | 1000 GAL | STEEL AST |         | ,      |       |
| Comment:           |   |          |           |         |        |       |
| Corrective Action: |   |          |           |         |        | 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    |
| Comment:           | Centralized containment |                     |                     |             |
| Corrective Action: |                         |                     |                     |             |
|                    |                         |                     |                     | Date:       |

|                    |   |          |           |         |        |       |
|--------------------|---|----------|-----------|---------|--------|-------|
| Contents           | # | Capacity | Type      | Tank ID | SE GPS |       |
| CONDENSATE         | 3 | 300 BBLs | STEEL AST |         | ,      |       |
| Comment:           |   |          |           |         |        |       |
| Corrective Action: |   |          |           |         |        | 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    |  |
| Comment:           | Centralized containment |                     |                     |             |  |
| Corrective Action: |                         |                     |                     | Date:       |  |

**Venting:**

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

**Flaring:**

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

|                             |            |                       |            |                  |
|-----------------------------|------------|-----------------------|------------|------------------|
| <b>Inspected Facilities</b> |            |                       |            |                  |
| Facility ID: 278145         | Type: WELL | API Number: 077-08901 | Status: PR | Insp. Status: PR |
| <b>Producing Well</b>       |            |                       |            |                  |
| Comment:                    | Producing  |                       |            |                  |
| Corrective Action:          |            |                       |            | Date:            |

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

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment  |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|--|
|                  |                 | Sediment Traps          |                       |               |                          |  |
| Ditches          |                 |                         |                       |               |                          |  |
| Gravel           |                 |                         |                       |               |                          |  |
|                  |                 | Gravel                  |                       |               |                          |  |
|                  |                 | Ditches                 |                       |               |                          |  |
|                  |                 | Berms                   |                       |               |                          |  |
| Sediment Traps   |                 |                         |                       |               |                          |  |
|                  |                 | Culverts                |                       |               |                          |  |
| Berms            |                 |                         |                       |               |                          |  |
| Other            | Fail            |                         |                       |               |                          | Tracking occurring from location to access road. |

Comment: Sediment is being transported off of location and on to access road. No tracking BMP present the access road ends at location. See photo #2233, #2234 and #2236.

Corrective Action: Oil and gas operators shall implement and maintain Best Management Practices (BMPs) at all oil and gas locations.

Date: 11/25/2020

**Pits:** ☒ NO SURFACE INDICATION OF PIT

**COGCC Comments**

| Comment  | User     | Date       |
|--|----------|------------|
| The location is a dual lease. This inspection was conducted simultaneously with inspection #699802096. | depaoloc | 11/10/2020 |

**Attached Documents**

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

| Document Num | Description                 | URL   |
|--------------|-----------------------------|---|
| 699802099    | Photos for Insp. #699802098 | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5289515">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5289515</a> |