

**FORM  
INSP**Rev  
X/20**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:

04/12/2021

Submitted Date:

04/12/2021

Document Number:

700702570

**FIELD INSPECTION FORM**

|  |                                  |   |                   |   |
|--|----------------------------------|---|-------------------|---|
| Loc ID<br>334620   | Inspector Name:<br>Ramsey, Scott | On-Site Inspection <input type="checkbox"/> | 2A Doc Num: _____ | <b>Status Summary:</b><br><input type="checkbox"/> THIS IS A FOLLOW UP INSPECTION<br><input checked="" type="checkbox"/> FOLLOW UP INSPECTION REQUIRED<br><input type="checkbox"/> NO FOLLOW UP INSPECTION REQUIRED |
| <b>Operator Information:</b><br>OGCC Operator Number: 10456<br>Name of Operator: CAERUS PICEANCE LLC<br>Address: 1001 17TH STREET #1600<br>City: DENVER State: CO Zip: 80202 |                                  |   |                   | <b>Findings:</b><br>15 Number of Comments<br>3 Number of Corrective Actions<br><input checked="" type="checkbox"/> Corrective Action Response Requested   |
|  |                                  |   |                   | <b>ANY CORRECTIVE ACTION(S) FROM<br/>PREVIOUS INSPECTIONS THAT HAVE NOT<br/>BEEN ADDRESSED ARE STILL APPLICABLE</b>   |

**Contact Information:**

| Contact Name | Phone | Email                                     | Comment |
|--------------|-------|---|---------|
| , Caerus     |       | COGCC.inspections@caerus<br>oilandgas.com |         |

**Inspected Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num   | Facility Name             | Insp Status |
|-------------|------|--------|-------------|------------|-----------|---------------------------|-------------|
| 287372      | WELL | PR     | 09/01/2007  | GW         | 045-12992 | LAST DANCE 34-15 (P34NE)  | PR          |
| 287373      | WELL | PR     | 09/04/2007  | GW         | 045-12991 | LAST DANCE 34-15C (P34NE) | PR          |
| 287374      | WELL | SI     | 11/01/2020  | GW         | 045-12990 | LAST DANCE 34-16 (P34NE)  | SI          |
| 287375      | WELL | PR     | 09/08/2007  | GW         | 045-12989 | LAST DANCE 34-16C (P34NE) | PR          |
| 287376      | WELL | PR     | 05/05/2008  | GW         | 045-12988 | LAST DANCE 34-10 (P34NE)  | PR          |
| 287377      | WELL | PR     | 05/21/2008  | GW         | 045-12987 | LAST DANCE 34-9C (P34NE)  | PR          |
| 287378      | WELL | PR     | 05/02/2008  | GW         | 045-12986 | LAST DANCE 34-9 (P34NE)   | PR          |
| 287379      | WELL | PR     | 05/02/2008  | GW         | 045-12985 | LAST DANCE 34-10C (P34NE) | PR          |

**General Comment:**

COGCC Inspection Report Summary

On Monday 3/12/2021 at approximately 1300, I, Inspector Scott Ramsey, conducted a routine inspection at Caerus P34NE, at Location # 334620 in Garfield county Colorado.

While there, I observed normal production operations. All meters have been calibrated on location within the past year. This location is within or in close proximity to a CPW Density/High Priority Habitat, black bear, NSO habitat and Wildlife Management Area. Also location is within or in close proximity to the 411 water protection area. Operator (Caerus) has provided documentation of their Best Management Practices for Sediment Tracking Controls.

During this inspection the following possible compliance issues were observed:

1. Tank battery signage does not meet requirements of rule 605.e
2. Location shows signs of lack of stabilization/compaction
3. Unused equipment (Braden head blow down tank at well heads is not hooked up to anything, pipe is open ended)

Refer to photograph of observed compliance issue.

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

| Location   |  |        |                 |
|--|--|--------|-----------------|
| <b>Lease Road:</b>                                     |  |        |                 |
| Type   | Access   |        |                 |
| comment:   |  |        |                 |
| Corrective Action                                      | L  | Date:  |                 |
| Overall Good: <input type="checkbox"/>                 |  |        |                 |
| <b>Signs/Marker:</b>                                   |  |        |                 |
| Type   | TANK LABELS/PLACARDS   |        |                 |
| Comment:   |  |        |                 |
| Corrective Action:                                     |  | Date:  |                 |
| Type   | WELLHEAD   |        |                 |
| Comment:   |  |        |                 |
| Corrective Action:                                     |  | Date:  |                 |
| Type   | BATTERY  |        |                 |
| Comment:   | Tank battery signage does not meet requirements of rule 605.e  |        |                 |
| Corrective Action:                                     | Comply with rule 605.e   | Date:  | 05/12/2021      |
| Emergency Contact Number:                              |  |        |                 |
| Comment:   | 911  |        |                 |
| Corrective Action:                                     |  | Date:  |                 |
| <b>Good Housekeeping:</b>                              |  |        |                 |
| Type   | UNUSED EQUIPMENT   |        |                 |
| Comment:   | Unused equipment (Braden head blow down tank at well heads is not hooked up to anything, pipe is open ended) |        |                 |
| Corrective Action:                                     | Remove unused equipment Comply with Rule 606   | Date:  | 05/12/2021      |
| Overall Good: <input type="checkbox"/>                 |  |        |                 |
| <b>Spills:</b>   |  |        |                 |
| Type   | Area   | Volume |                 |
| In Containment: No                                     |  |        |                 |
| Comment:   |  |        |                 |
| <input type="checkbox"/> Multiple Spills and Releases? |  |        |                 |
| <b>Equipment:</b>                                      |  |        |                 |
| Type: Bradenhead                                       | # 8  |        | corrective date |
| Comment:   | One (1) braden head is tied into sales and all Braden heads have telemetry for monitoring.                   |        |                 |
| Corrective Action:                                     |  | Date:  |                 |
| Type: Gas Meter Run                                    | # 9  |        |                 |
| Comment:   |  |        |                 |
| Corrective Action:                                     |  | Date:  |                 |
| Type: Vertical Heated Separator                        | # 8  |        |                 |
| Comment:   |  |        |                 |
| Corrective Action:                                     |  | Date:  |                 |

|                               |     |  |       |
|-------------------------------|-----|--|-------|
| Type: Bird Protectors         | # 5 |  |       |
| Comment:                      |     |  |       |
| Corrective Action:            |     |  | Date: |
| Type: Emission Control Device | # 1 |  |       |
| Comment:                      |     |  |       |
| Corrective Action:            |     |  | Date: |
| Type: Plunger Lift            | # 8 |  |       |
| Comment:                      |     |  |       |
| Corrective Action:            |     |  | Date: |

**Tanks and Berms:**

|                    |   |          |           |         |        |       |
|--------------------|---|----------|-----------|---------|--------|-------|
| Contents           | #   | Capacity | Type      | Tank ID | SE GPS |       |
| PRODUCED WATER     | 1   | OTHER    | STEEL AST |         | ,      |       |
| Comment:           | 110 bbl roll to tank SEE UNUSED EQUIPMENT |          |           |         |        |       |
| Corrective Action: |   |          |           |         |        | Date: |

**Paint**

|                  |          |  |
|------------------|----------|--|
| Condition        | Adequate |  |
| Other (Content)  |          |  |
| Other (Capacity) |          |  |
| Other (Type)     |          |  |

**Berms**

|                    |          |                     |                     |             |
|--------------------|----------|---------------------|---------------------|-------------|
| Type               | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Earth              | Adequate | Walls Sufficient    | Base Sufficient     | Adequate    |
| Comment:           |          |                     |                     |             |
| Corrective Action: |          |                     |                     |             |

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

|            |   |          |                  |         |        |  |
|------------|---|----------|------------------|---------|--------|--|
| Contents   | # | Capacity | Type             | Tank ID | SE GPS |  |
| CONDENSATE | 2 | 500 BBLs | HEATED 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 Sufficent     | Base Sufficent      | Adequate    |
| Comment:           |          |                     |                     |             |
| Corrective Action: |          |                     |                     | Date:       |

**Venting:**

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

**Flaring:**

|                    |                   |       |
|--------------------|-------------------|-------|
| Type               | Ignitor/Combustor |       |
| Comment:           |                   |       |
| Corrective Action: |                   | Date: |

| Inspected Facilities  |   |       |  |             |           |         |    |               |    |
|-----------------------|---|-------|--|-------------|-----------|---------|----|---------------|----|
| Facility ID:          | 287372                                      | Type: | WELL   | API Number: | 045-12992 | Status: | PR | Insp. Status: | PR |
| <b>Producing Well</b> |   |       |  |             |           |         |    |               |    |
| Comment:              | Producing                                   |       |  |             |           |         |    |               |    |
| Corrective Action:    |   |       |  |             |           | Date:   |    |               |    |
| Facility ID:          | 287373                                      | Type: | WELL   | API Number: | 045-12991 | Status: | PR | Insp. Status: | PR |
| <b>Producing Well</b> |   |       |  |             |           |         |    |               |    |
| Comment:              | Producing                                   |       |  |             |           |         |    |               |    |
| Corrective Action:    |   |       |  |             |           | Date:   |    |               |    |
| Facility ID:          | 287374                                      | Type: | WELL   | API Number: | 045-12990 | Status: | SI | Insp. Status: | SI |
| <b>Idle Well</b>      |   |       |  |             |           |         |    |               |    |
| Purpose:              | <input checked="" type="checkbox"/> Shut In |       | <input type="checkbox"/> Temporarily Abandoned |             | Reminder: |         |    |               |    |
| Comment:              | last produced 11/1/2020                     |       |  |             |           |         |    |               |    |
| Corrective Action:    |   |       |  |             |           | Date:   |    |               |    |
| Facility ID:          | 287375                                      | Type: | WELL   | API Number: | 045-12989 | Status: | PR | Insp. Status: | PR |
| <b>Producing Well</b> |   |       |  |             |           |         |    |               |    |
| Comment:              | Producing                                   |       |  |             |           |         |    |               |    |
| Corrective Action:    |   |       |  |             |           | Date:   |    |               |    |
| Facility ID:          | 287376                                      | Type: | WELL   | API Number: | 045-12988 | Status: | PR | Insp. Status: | PR |
| <b>Producing Well</b> |   |       |  |             |           |         |    |               |    |
| Comment:              | Producing                                   |       |  |             |           |         |    |               |    |
| Corrective Action:    |   |       |  |             |           | Date:   |    |               |    |
| Facility ID:          | 287377                                      | Type: | WELL   | API Number: | 045-12987 | Status: | PR | Insp. Status: | PR |
| <b>Producing Well</b> |   |       |  |             |           |         |    |               |    |
| Comment:              | Producing                                   |       |  |             |           |         |    |               |    |
| Corrective Action:    |   |       |  |             |           | Date:   |    |               |    |
| Facility ID:          | 287378                                      | Type: | WELL   | API Number: | 045-12986 | Status: | PR | Insp. Status: | PR |
| <b>Producing Well</b> |   |       |  |             |           |         |    |               |    |
| Comment:              | Producing                                   |       |  |             |           |         |    |               |    |
| Corrective Action:    |   |       |  |             |           | Date:   |    |               |    |
| Facility ID:          | 287379                                      | Type: | WELL   | API Number: | 045-12985 | Status: | PR | Insp. Status: | PR |
| <b>Producing Well</b> |   |       |  |             |           |         |    |               |    |
| Comment:              | Producing                                   |       |  |             |           |         |    |               |    |
| Corrective Action:    |   |       |  |             |           | Date:   |    |               |    |

|                    |           |       |  |
|--------------------|-----------|-------|--|
| Producing Well     |           |       |  |
| Comment:           | Producing |       |  |
| Corrective Action: |           | Date: |  |

## Environmental

### Spill/Remediation:

Comment:

Corrective  
Action:

Date:

Emission Control Burner (ECB): YES

Comment: tied into tank battery

Pilot: ON

Wildlife Protection Devices (fired vessels): YES

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

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
|                  |                 | Culverts                |                       |               |                          |         |
| Berms            |                 |                         |                       |               |                          |         |
| Compaction       | Fail            |                         |                       |               |                          |         |
|                  |                 | Ditches                 |                       |               |                          |         |

Comment: This location is within or in close proximity to a CPW Density/High Priority Habitat, black bear, NSO habitat and Wildlife Management Area. Also location is within or in close proximity to the 411 water protection area. Operator (Caerus) has provided documentation of their Best Management Practices for Sediment Tracking Controls.  
1. Location shows signs of lack of stabilization/compaction

Corrective Action: **Install or repair required BMPs**

Date: 05/12/2021

**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   |
|--------------|----------------------|---|
| 402656432    | INSPECTION SUBMITTED | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5401391">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5401391</a> |
| 700702576    | photo log            | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5401385">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5401385</a> |