

**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:

08/06/2021

Submitted Date:

08/09/2021

Document Number:

700703096

FIELD INSPECTION FORM

Loc ID 311850 Inspector Name: Ramsey, Scott On-Site Inspection ☐ 2A Doc Num: _____

Operator Information:

OGCC Operator Number: 10456

Name of Operator: CAERUS PICEANCE LLC

Address: 1001 17TH STREET #1600

City: DENVER State: CO Zip: 80202

Status Summary:

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

Findings:

8 Number of Comments

4 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 oilandgas.com | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|-----------------------------------|-------------|
| 284185 | WELL | PR | 02/01/2021 | GW | 103-10738 | FIGURE FOUR UNIT 8008D A16 498 | PR |

General Comment:**COGCC Inspection Report Summary**

On Friday 8/6/2021 at approximately 1300, I, Inspector Scott Ramsey, conducted a routine inspection at Caerus Figure Four A16, at Location # 311850 in Rio Blanco 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, Wildlife Management Area and BLM stipulations area. Operator (Caerus) has provided documentation of their Best Management Practices for Sediment Tracking Controls. During this inspection the following compliance issues were observed:

1. No battery signage.
2. Location shows signs of lack of stabilization/compaction
3. Weeds on location
4. One (1) dead man is not marked properly

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 | | | | |
|--|--|--------|--|------------------|
| Lease Road: | | | | |
| Type | Access | | | |
| comment: | | | | |
| Corrective Action | L | | | Date: |
| Overall Good: <input checked="" type="checkbox"/> | | | | |
| Signs/Marker: | | | | |
| Type | BATTERY | | | |
| Comment: | No battery signage. | | | |
| Corrective Action: | Comply with rule 605.e | | | Date: 09/17/2021 |
| Type | WELLHEAD | | | |
| Comment: | | | | |
| Corrective Action: | | | | Date: |
| Type | TANK LABELS/PLACARDS | | | |
| Comment: | | | | |
| Corrective Action: | | | | Date: |
| Type | CONTAINERS | | | |
| Comment: | | | | |
| Corrective Action: | | | | Date: |
| Emergency Contact Number: | | | | |
| Comment: | 911 | | | |
| Corrective Action: | | | | Date: _____ |
| Good Housekeeping: | | | | |
| Type | WEEDS | | | |
| Comment: | Weeds on location | | | |
| Corrective Action: | remove or eliminate weeds | | | Date: 08/20/2021 |
| Overall Good: <input type="checkbox"/> | | | | |
| Spills: | | | | |
| Type | Area | Volume | | |
| In Containment: No | | | | |
| Comment: | | | | |
| <input type="checkbox"/> Multiple Spills and Releases? | | | | |
| Equipment: | | | | |
| Type: Ancillary equipment | # 4 | | | corrective date |
| Comment: | One (1) 500 gallon methanol tank in metal containment and Three (3) chemical tanks (2) at wells in plastic containment and (1) in tank containment | | | |
| Corrective Action: | | | | Date: |
| Type: Bird Protectors | # 5 | | | |
| Comment: | | | | |
| Corrective Action: | | | | Date: |

| | | | |
|-----------------------------------|---|--|------------------|
| Type: Plunger Lift | # 2 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Horizontal Heated Separator | # 2 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Bradenhead | # 2 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Deadman # & Marked | # 5 | | |
| Comment: | One (1) dead man is not marked properly | | |
| Corrective Action: | mark or remove dead man | | Date: 09/20/2021 |

Tanks and Berms:

| | | | | | | |
|--------------------|---|----------|------------------|---------|--------|-------|
| Contents | # | Capacity | Type | Tank ID | SE GPS | |
| CONDENSATE | 3 | 400 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 Sufficient | Base Sufficient | Adequate |
| Comment: | | | | |
| Corrective Action: | | | | |
| | | | Date: | |

Venting:

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

Flaring:

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

| Inspected Facilities | | | | | | | | | |
|----------------------|-----------|-------|------|-------------|-----------|---------|----|---------------|----|
| Facility ID: | 284185 | Type: | WELL | API Number: | 103-10738 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| 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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Berms | | | | | | |
| Compaction | Fail | | | | | |
| | | Culverts | | | | |

Comment: 1. Location shows signs of lack of stabilization/compaction

Corrective Action: Install or repair required BMPs

Date: 09/17/2021

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 |
|--------------|----------------------|---|
| 402774011 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5501107 |
| 700703100 | photo log | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5501086 |