

**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:

10/23/2023

Submitted Date:

10/23/2023

Document Number:

708902027

FIELD INSPECTION FORMLoc ID 324264 Inspector Name: Smelser, Wayne 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:**

17 Number of Comments

1 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 |
|-------------|------|--------|-------------|------------|-----------|---------------|-------------|
| 270426 | WELL | PR | 04/05/2012 | GW | 045-09557 | CLEM 15-24 | PR |

General Comment:**CECMC Inspection Report Summary**

On 10/23/2023 at approximately 13:36 hours, I, Compliance Specialist, Wayne Smelser

Conducted an on-site inspection at CAERUS PICEANCE LLC CLEM 15-24 (PH15) Pad.

Location # 324264 in Garfield County Colorado.

Location is within High Priority/Black Bear/Density Habitat areas & in close proximity to NSO Habitat area.

Location is approximately 384 yards from Battlement Creek.

Location is within close proximity to Rule 411a Surface Water External Buffer.

While there, I observed normal production operations.

During this inspection the following compliance issues were observed:

1. Stormwater - Lack of stabilization/compaction/insufficient tracking BMP's with a CA date of 11/07/2023

A follow up on this site inspection needs to be conducted to ensure the compliance issues have been corrected to comply with CECMC rules.

This is a summary of inspection report.

Location**Lease Road:**

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

Overall Good: ☐**Signs/Marker:**

| | | | |
|--------------------|---|-------|--|
| Type | CONTAINERS | | |
| Comment: | Chemical tank | | |
| Corrective Action: | | Date: | |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | OTHER | | |
| Comment: | Separator unit includes attached storage tank. The sight glass located on the side of the unit indicates the storage tank is full of an unknown fluid. No form of labeling or markers are present to identify a potential hazard or the contents of the storage tank. | | |
| Corrective Action: | | Date: | |
| Type | BATTERY | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | WELLHEAD | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Emergency Contact Number:

| | | |
|--------------------|------------------|-------------|
| Comment: | 911/970-285-2615 | |
| Corrective Action: | | Date: _____ |

Overall Good: ☐**Spills:**

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

In Containment: No

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

| | | | |
|-----------------------|------------------|-------|-----------------|
| Type: Bird Protectors | # 1 | | corrective date |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Gas Meter Run | # 1 | | |
| Comment: | Summit Midstream | | |
| Corrective Action: | | Date: | |

| | | |
|-----------------------------------|--|-------|
| Type: Plunger Lift | # 1 | |
| Comment: | Well on plunger lift | |
| Corrective Action: | | Date: |
| Type: Bradenhead | # 1 | |
| Comment: | Pressure transducer located on bradenhead, bradenhead valve is accessible. | |
| Corrective Action: | | Date: |
| Type: Ancillary equipment | # 1 | |
| Comment: | Chemical tank | |
| Corrective Action: | | Date: |
| Type: Horizontal Heated Separator | # 1 | |
| Comment: | | |
| Corrective Action: | | Date: |

Tanks and Berms:

| | | | | | |
|--------------------|---|----------|-----------|---------|--------|
| Contents | # | Capacity | Type | Tank ID | SE GPS |
| CONDENSATE | 1 | 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 Sufficent | | |
| Comment: | Unlined containment | | | |
| Corrective Action: | | | | Date: |

Venting:

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

Flaring:

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

| Inspected Facilities | | | | | | | | | |
|----------------------|---------------------------------|-------|------|-------------|-----------|---------|----|---------------|----|
| Facility ID: | 270426 | Type: | WELL | API Number: | 045-09557 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | Producing, well on plunger lift | | | | | | | | |
| 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 |
|------------------|-----------------|-------------------------|-----------------------|--|--------------------------|--|
| Gravel | | | | | | Sparse to none in most areas |
| | | Compaction | | | | Light compaction in some sections |
| | | Culverts | | | | |
| | | | | Material Handling And Spill Prevention | | Chemical tank containment |
| Berms | | | | | | |
| | | Gravel | | | | Sparse in some sections |
| Compaction | Fail | | | | | Lack of stabilization/compaction/insufficient BMPs |
| | | Ditches | | | | |

Comment: 1. Lack of stabilization/compaction/insufficient tracking BMP's

Corrective Action: Oil and gas operators shall implement and maintain Best Management Practices (BMPs) at all oil and gas locations to control stormwater runoff in a manner that minimizes erosion, transport of sediment offsite, and site degradation. BMPs shall be maintained until the facility is abandoned and final reclamation is achieved.

Date: 11/07/2023

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

| Comment | User | Date |
|---|----------|------------|
| Please refer to Stormwater for observed compliance issue. | smelserw | 10/23/2023 |

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

| Document Num | Description | URL |
|--------------|---|---|
| 403569997 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6295263 |
| 708902028 | Inspection 708902027 Stormwater photo log | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6295261 |
| 708902029 | Inspection 708902027 photo log | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6295262 |