

**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:

12/07/2023

Submitted Date:

12/10/2023

Document Number:

708902470

FIELD INSPECTION FORM

Loc ID: 416986
Inspector Name: Smelser, Wayne
On-Site Inspection:
2A Doc Num: _____

Status Summary:

THIS IS A FOLLOW UP INSPECTION
 FOLLOW UP INSPECTION REQUIRED
 NO FOLLOW UP INSPECTION REQUIRED

Findings:

24 Number of Comments
 4 Number of Corrective Actions
 Corrective Action Response Requested

Operator Information:

OGCC Operator Number: 10456
 Name of Operator: CAERUS PICEANCE LLC
 Address: 1001 17TH STREET #1600
 City: DENVER State: CO Zip: 80202

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 |
|-------------|------|--------|-------------|------------|-----------|------------------------------|-------------|
| 418981 | WELL | PR | 08/01/2020 | GW | 045-19854 | BATTLEMENT MESA 34-43B (35L) | PR |
| 418984 | WELL | PR | 07/01/2018 | GW | 045-19856 | BATTLEMENT MESA 34-43C (35L) | PR |
| 418990 | WELL | PR | 07/01/2018 | GW | 045-19860 | BATTLEMENT MESA 35-23B (35L) | PR |
| 419000 | WELL | PR | 03/01/2022 | GW | 045-19864 | BATTLEMENT MESA 35-23C (35L) | PR |
| 419088 | WELL | SI | 09/01/2022 | GW | 045-19873 | BATTLEMENT MESA 35-13C (35L) | SI |

General Comment:

CECMC Inspection Report Summary
 On 12/07/2023 at approximately 12:51 hours, I, Compliance Specialist, Wayne Smelser
 Conducted an on-site inspection at CAERUS PICEANCE LLC BATTLEMENT MESA 35L-795 pad.
 Location # 416986 in Garfield County Colorado.
 Location is within High Priority/Density/Black Bear Habitat areas.
 While there, I observed normal production operations.

During this inspection the following compliance issues were observed:

1. Signs/Marker - Methanol tank improperly labeled/labeled with inaccurate info/lacks required info with a CA date of 01/09/2024
2. Signs/Marker - Wellhead lacks required signage with a CA date of 01/09/2024
3. Housekeeping - Staining inside secondary containment with a CA date of 12/20/2023
4. Housekeeping - Unused equipment on location with a CA date of 01/09/2024

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 | | | Date: |

Overall Good:

| | | | |
|----------------------|---|-------|------------|
| Signs/Marker: | | | |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | Methanol tank improperly labeled/labeled with inaccurate information/lacks required information/some info weathered & illegible | | |
| Corrective Action: | All Tanks with a capacity of 10 Barrels or greater will be labeled or posted with the following information: A. Name of Operator; B. Operator's emergency contact telephone number; C. Tank capacity; D. Tank contents; and E. NFPA label or equivalent globally harmonized label. | Date: | 01/09/2024 |
| Type | BATTERY | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | WELLHEAD | | |
| Comment: | Wellhead lacks required signage | | |
| Corrective Action: | A permanent sign will be conspicuously located at each wellhead | Date: | 01/09/2024 |

| | | | |
|----------------------------------|------------------|-------|--|
| Emergency Contact Number: | | | |
| Comment: | 911/970-285-2615 | | |
| Corrective Action: | | Date: | |

| | | | |
|---------------------------|--|-------|------------|
| Good Housekeeping: | | | |
| Type | OTHER | | |
| Comment: | Staining inside secondary containment | | |
| Corrective Action: | Remove and properly dispose of all stained materials. | Date: | 12/20/2023 |
| Type | UNUSED EQUIPMENT | | |
| Comment: | Unused equipment on location | | |
| Corrective Action: | The storage or placement of equipment not necessary for use on location is prohibited. | Date: | 01/09/2024 |

Overall Good:

| | | | |
|--|------|--------|--|
| Spills: | | | |
| Type | Area | Volume | |
| In Containment: | No | | |
| Comment: | | | |
| <input type="checkbox"/> Multiple Spills and Releases? | | | |

| | | | |
|------------------|-----------|--|--|
| Fencing/: | | | |
| Type | SEPARATOR | | |

| | | | |
|--------------------|---|--|-------|
| Comment: | Hog panels | | |
| Corrective Action: | | | Date: |
| Type | WELLHEAD | | |
| Comment: | Hog panels | | |
| Corrective Action: | | | Date: |
| Type | TANK BATTERY | | |
| Comment: | Hog panels | | |
| Corrective Action: | | | Date: |
| Type | OTHER | | |
| Comment: | Pig station - pipe rail fence | | |
| Corrective Action: | | | Date: |

| | | | |
|-----------------------------------|---|--|-----------------|
| Equipment: | | | corrective date |
| Type: Plunger Lift | # 4 | | |
| Comment: | All wells on plunger lift | | |
| Corrective Action: | | | Date: |
| Type: Pig Station | # 1 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Bradenhead | # 4 | | |
| Comment: | Pressure transducers located on all bradenhead. All bradenhead valves are accessible. | | |
| Corrective Action: | | | Date: |
| Type: Gas Meter Run | # 8 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Horizontal Heated Separator | # 8 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Bird Protectors | # 4 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |

Tanks and Berms:

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

Paint

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

| <u>Berms</u> | | | | | | |
|--|----------|---------------------|---------------------|-------------|--------|--|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance | | |
| Metal | Adequate | | | | | |
| Comment: | | | | | | |
| Corrective Action: | | | | Date: | | |
| Contents | # | Capacity | Type | Tank ID | SE GPS | |
| CONDENSATE | 5 | 400 BBLs | STEEL AST | | , | |
| Comment: Centralized containment | | | | | | |
| Corrective Action: | | | | Date: | | |
| <u>Paint</u> | | | | | | |
| Condition | Adequate | | | | | |
| Other (Content) | | | | | | |
| Other (Capacity) | | | | | | |
| Other (Type) | | | | | | |
| <u>Berms</u> | | | | | | |
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance | | |
| Metal | | | | | | |
| Comment: Snow in secondary containment | | | | | | |
| Corrective Action: | | | | Date: | | |
| <u>Venting:</u> | | | | | | |
| Yes/No | NO | | | | | |
| Comment: | | | | | | |
| Corrective Action: | | | | Date: | | |
| <u>Flaring:</u> | | | | | | |
| Type | | | | | | |
| Comment: | | | | | | |
| Corrective Action: | | | | Date: | | |

| Inspected Facilities | | | | |
|--|-------------------|------------------------------|-------------------|-------------------------|
| Facility ID: <u>418981</u> | Type: <u>WELL</u> | API Number: <u>045-19854</u> | Status: <u>PR</u> | Insp. Status: <u>PR</u> |
| Producing Well | | | | |
| Comment: <u>Producing, well on plunger lift</u> | | | | |
| Corrective Action: | | Date: | | |
| Facility ID: <u>418984</u> | Type: <u>WELL</u> | API Number: <u>045-19856</u> | Status: <u>PR</u> | Insp. Status: <u>PR</u> |
| Producing Well | | | | |
| Comment: <u>Producing, well on plunger lift</u> | | | | |
| Corrective Action: | | Date: | | |
| Facility ID: <u>418990</u> | Type: <u>WELL</u> | API Number: <u>045-19860</u> | Status: <u>PR</u> | Insp. Status: <u>PR</u> |
| Producing Well | | | | |
| Comment: <u>Producing, well on plunger lift</u> | | | | |
| Corrective Action: | | Date: | | |
| Facility ID: <u>419000</u> | Type: <u>WELL</u> | API Number: <u>045-19864</u> | Status: <u>PR</u> | Insp. Status: <u>PR</u> |
| Producing Well | | | | |
| Comment: <u>Producing, well on plunger lift</u> | | | | |
| Corrective Action: | | Date: | | |
| Facility ID: <u>419088</u> | Type: <u>WELL</u> | API Number: <u>045-19873</u> | Status: <u>SI</u> | Insp. Status: <u>SI</u> |
| Idle Well | | | | |
| Purpose: <input checked="" type="checkbox"/> Shut In <input type="checkbox"/> Temporarily Abandoned Reminder: _____ | | | | |
| Comment: <u>PA</u> | | | | |
| 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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|------------------------------------|
| Compaction | | | | | | |
| | | Gravel | | | | Sparse to none in visible sections |
| | | Culverts | | | | |
| | | Ditches | | | | |
| | | Compaction | | | | Light compaction is some sections |

Comment:

Corrective Action:

Date: _____

Pits: NO SURFACE INDICATION OF PIT

COGCC Comments

| Comment | User | Date |
|---|----------|------------|
| Please refer to Signs/Marker & Housekeeping for observed compliance issues. | smelserw | 12/10/2023 |

Attached Documents

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

| Document Num | Description | URL |
|--------------|---|---|
| 403620060 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6351510 |
| 708902471 | Inspection 708902470 photo log | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6351508 |
| 708902472 | Inspection 708902470 Stormwater photo log | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6351509 |