

**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:

12/26/2023

Submitted Date:

12/29/2023

Document Number:

708902639

FIELD INSPECTION FORM

Loc ID 335673 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

Operator Information:

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

Findings:

- 21 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 |
|-------------|------|--------|-------------|------------|-----------|------------------------|-------------|
| 287183 | WELL | PR | 04/01/2023 | GW | 045-12913 | LONG RIDGE 04C D21 595 | PR |

General Comment:

[CECMC Inspection Report Summary](#)
On 12/26/2023 at approximately 11:59 hours, I, Compliance Specialist, Wayne Smelser Conducted an on-site inspection at CAERUS PICEANCE LLC LONG RIDGE D21 595 Pad. Location # 335673 in Garfield County Colorado. Location is within High Priority/Density/Black Bear Habitat areas & in close proximity to Greater Sage Grouse General Habitat Management Area & NSO Habitat area. While there, I observed normal production operations.

During this inspection the following compliance issues were observed:

- Signs/Marker - Wellhead sign contains inaccurate/incorrect info with a CA date of 01/28/2024
- Signs/Marker - Tank battery lacks signage with a CA date of 01/28/2024
- Signs/Marker - Methanol tank labeling contains inaccurate/incorrect information with a CA date of 01/28/2024
- Tanks & Berms - Condensate tank lacks secondary containment with a CA date of 12/18/2024

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 ActionL | | Date: |
| Overall Good: <input type="checkbox"/> | | | |
| Signs/Marker: | | | |
| | 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: Tank battery lacks signage | | |
| | Corrective Action: Tank Battery Signage. | | Date: 01/28/2024 |
| | The Tank battery sign will be no less than 3 square feet and no more than 6 square feet, and will provide: A. Name of the Operator; B. Telephone number at which the Operator can be reached at all times; C. Telephone number for local emergency services (911 where available); D. The public road used to access the Tank battery site; E. Well name(s) and API number(s) associated with the Tank battery and the legal location of the Well(s); and F. Location, including the quarter/quarter section, of the Tank battery. | | |
| | Type WELLHEAD | | |
| | Comment: Wellhead sign contains inaccurate/incorrect info | | |
| | Corrective Action: Upon the Director's approval of a Form 9 the Buying Operator will have 60 days to replace or update all signs at the Oil and Gas Location so that the signs comply with Rule 605. | | Date: 01/28/2024 |
| | Type CONTAINERS | | |
| | Comment: Chemical tank | | |
| | Corrective Action: | | Date: |
| | Type TANK LABELS/PLACARDS | | |
| | Comment: Methanol tank labeling contains inaccurate/incorrect information | | |
| | Corrective Action: Upon the Director's approval of a Form 9 the Buying Operator will have 60 days to replace or update all signs at the Oil and Gas Location so that the signs comply with Rule 605. | | Date: 01/28/2024 |
| Emergency Contact Number: | | | |
| | Comment: 911/970-285-2615 | | |
| | Corrective Action: | | Date: _____ |
| Overall Good: <input type="checkbox"/> | | | |
| Spills: | | | |
| Type | Area | Volume | |
| In Containment: No _____ | | | |
| Comment: _____ | | | |
| <input type="checkbox"/> Multiple Spills and Releases? | | | |

| | | | |
|--------------------|--|--|-------|
| Fencing/: | | | |
| Type | TANK BATTERY | | |
| Comment: | Hog panels | | |
| Corrective Action: | | | Date: |
| Type | WELLHEAD | | |
| Comment: | Hog panels | | |
| Corrective Action: | | | Date: |
| Type | OTHER | | |
| Comment: | Chemical tank - Hog panels | | |
| Corrective Action: | | | Date: |

| | | | | |
|-----------------------------------|--|--|--|-----------------|
| Equipment: | | | | corrective date |
| Type: Ancillary equipment | # 1 | | | |
| Comment: | Chemical tank | | | |
| Corrective Action: | | | | Date: |
| Type: Horizontal Heated Separator | # 1 | | | |
| Comment: | | | | |
| Corrective Action: | | | | Date: |
| Type: Plunger Lift | # 1 | | | |
| Comment: | Well on plunger lift | | | |
| Corrective Action: | | | | Date: |
| Type: Gas Meter Run | # 1 | | | |
| Comment: | | | | |
| Corrective Action: | | | | Date: |
| Type: Bird Protectors | # 1 | | | |
| Comment: | | | | |
| Corrective Action: | | | | Date: |
| Type: Bradenhead | # 0 | | | |
| Comment: | Unable to verify bradenhead status due to snow | | | |
| Corrective Action: | | | | Date: |

Tanks and Berms:

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|--|-----------|-----------|---------|--------|
| CONDENSATE | 1 | <100 BBLS | STEEL AST | | , |
| Comment: | Partially buried tank Through email correspondence with operator I was informed that all partially buried tanks are hydrostatically tested for 24 hours on an annual basis and results are retained in operators internal forms database. Tank doesn't appear to be equipped with telemetry. | | | | |
| Corrective Action: | | | | | Date: |

Paint

| | |
|-----------|----------|
| Condition | Adequate |
|-----------|----------|

| | |
|-------------------------|--|
| Other (Content) | |
| Other (Capacity) 95 bbl | |
| Other (Type) | |

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|------|----------|---------------------|---------------------|-------------|
| | | | | |

| | | | |
|--------------------|--|-------|------------|
| Comment: | No secondary containment present for condensate tank | | |
| Corrective Action: | Buried or partially buried Tanks, vessels, or structures used for storage of produced Fluids and E&P Waste will be properly designed, constructed, installed, and operated in a manner to prevent leaks, contain materials safely, and according to manufacturer specifications. | Date: | 01/18/2024 |

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|----------|---|----------|-----------|---------|--------|
| METHANOL | 1 | OTHER | STEEL AST | | , |

| | |
|--------------------|----------------------|
| Comment: | Separate containment |
| Corrective Action: | |
| Date: | |

Paint

| | |
|-----------|----------|
| Condition | Adequate |
|-----------|----------|

| | |
|--------------------------|--|
| Other (Content) | |
| Other (Capacity) 500 gal | |
| Other (Type) | |

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|-------|----------|---------------------|---------------------|-------------|
| Metal | Adequate | Walls Sufficent | | |

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

Venting:

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

Flaring:

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

Inspected Facilities

Facility ID: 287183 Type: WELL API Number: 045-12913 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 |
|------------------|-----------------|-------------------------|-----------------------|--|--------------------------|---|
| | | Ditches | | | | |
| | | Culverts | | | | |
| Other | | | | | | Stockpiled soils - please refer to comments below |
| | | | | Material Handling And Spill Prevention | | Chemical tank containment |
| | | Retention Ponds | | | | |

Comment: [Limited Stormwater inspection due to snow.](#)
[Stockpiled soils on location in multiple areas, due to snow cover difficult to ascertain if all stockpiles have BMP's & condition of any of those BMP's if present.](#)

Corrective Action: Date: _____

Pits: NO SURFACE INDICATION OF PIT

| Permit: | Facility ID | Permit Num | Expiration Date |
|---------|-------------|------------|-----------------|
| | 288931 | 1433586 | |
| | 288931 | 1433586 | |

COGCC Comments

| Comment | User | Date |
|--|----------|------------|
| Please refer to Signs/Marker & Tanks & Berms for observed compliance issues. | smelserw | 12/29/2023 |

Attached Documents

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

| Document Num | Description | URL |
|--------------|---|---|
| 708902640 | Inspection 708902639 photo log | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6376623 |
| 708902641 | Inspection 708902639 Stormwater photo log | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6376624 |