

**FORM
INSP**Rev
X/15**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:

10/18/2018

Submitted Date:

10/25/2018

Document Number:

681701113**FIELD INSPECTION FORM**Loc ID: 149011 Inspector Name: Arauza, Steven 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:

20 Number of Comments

3 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
Holtz, Darin		darin.holtz@state.co.us	
Rutkowski, Tony		trutkowski@caerusoilandgas.com	
Fischer, Alex		alex.fischer@state.co.us	
Spencer, Stan		stan.spencer@state.co.us	
,		COGCC.inspections@caerusoilandgas.com	All Inspections
Mize-Spansky, Kristine		kmizespansky@caerusoilandgas.com	
Pesicka, Conor		conor.pesicka@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
433571	PIT	AC			-	Hunter Mesa Upper Pond	EI
435835	PIT	AC			-	Hunter Mesa South Pond 149011	EI
435836	PIT	AC			-	Hunter Mesa Middle Pond	EI
435837	PIT	AC			-	Hunter Mesa North Pond	EI
454455	CENTRALIZED EP WASTE MGMT FAC	AC	03/22/2018		-	Hunter Mesa Evaporation Pits 454455	EI

General Comment:

COGCC Environmental inspection of tank batteries and evaporation pits.

NE tank battery consists of two 500 bbl produced water ASTs inside of lined metal SPCC. No tears or holes observed in visible section of liner. Central tank battery consists of four 500 bbl steel ASTs and two 5665 bbl steel ASTS inside of lined metal SPCC. All six tanks in central tank battery contain both condensate and produced water. No tears or holes observed in visible section of liner. Supplies and equipment were observed to be stored inside of SPCC for both tank batteries. See Housekeeping section for corrective actions.

LocationOverall Good: ☐

Signs/Marker:			
Type	OTHER		
Comment:	Emergency contact sign on northeast side of Pit Facility #433571 reads "Encana Gas Control," contact number rings current operator. See photos.		
Corrective Action:	Update operator information on signs to comply with Rule 210.c.	Date:	12/24/2018

Emergency Contact Number:

Comment:		Date: _____
Corrective Action:		

Good Housekeeping:

Type	STORAGE OF SUPL		
Comment:	Equipment storage inside of SPCC at both tank batteries. See photos.		
Corrective Action:	Comply with Rule 603.f.	Date:	11/24/2018

Overall Good: ☐

Spills:					
Type	Area	Volume			

In Containment: No

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

Yes/No			
Comment:			
Corrective Action:		Date:	

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Inspected Facilities				
Facility ID: <u>433571</u>	Type: <u>PIT</u>	API Number: <u>-</u>	Status: <u>AC</u>	Insp. Status: <u>EI</u>
Facility ID: <u>435835</u>	Type: <u>PIT</u>	API Number: <u>-</u>	Status: <u>AC</u>	Insp. Status: <u>EI</u>
Facility ID: <u>435836</u>	Type: <u>PIT</u>	API Number: <u>-</u>	Status: <u>AC</u>	Insp. Status: <u>EI</u>
Facility ID: <u>435837</u>	Type: <u>PIT</u>	API Number: <u>-</u>	Status: <u>AC</u>	Insp. Status: <u>EI</u>
Facility ID: <u>454455</u>	Type: <u>CENTRALIZE</u>	API Number: <u>-</u>	Status: <u>AC</u>	Insp. Status: <u>EI</u>

Reclamation - Storm Water - Pit

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment

Comment: Straw wattle along south side of pit #435835 needs maintenance. Transport of sediment and rocks onto pit liner was observed during inspection. Evidence of erosion and sediment transport from berms along south and southeast sides of facility. See photos.

Corrective Action: Install or repair required BMPs per Rule 1002.f.

Date: 11/24/2018

Pits: ☐ NO SURFACE INDICATION OF PIT

Type: Produced Water Lined: YES Pit ID: 435835 Lat: 39.469663 Long: -107.715780

Reference Point: _____ Other: _____ Length: 500 Width: 175

Lining:

Liner Type: HDPE Liner Condition: Adequate

Comment: No gaps or tears in visible portion of liner. Sediment and rocks have been transported onto liner from earthen berm located south and east of pit. See photos. See Stormwater BMP section for corrective actions.

Corrective Action

Date:

Fencing:

Fencing Type: Wildlife Fencing Condition: Adequate

Comment: Pit complex shares chain link fence with 2' of mesh along bottom and three strands of barbed wire along top on north, west, and south sides. Access from east is prevented by tank batteries and water facility.

Corrective Action

Date:

Netting:

Netting Type: _____ Netting Condition: _____

Comment: No netting installed.

Corrective Action

Date:

Anchor Trench Present: YES Oil Accumulation: NO 2+ feet Freeboard: YES

Comment: No condensate observed on pit.

Corrective Action

Date:

Type: Produced Water Lined: YES Pit ID: 433571 Lat: 39.472219 Long: -107.717734

Reference Point: _____ Other: _____ Length: 770 Width: 140

Lining:

Liner Type: HDPE Liner Condition: Adequate

Comment: Pit Report indicates that pit has HDPE liner. Floating cover prevented direct observation of liner conditions on inspection date.

Corrective Action

Date:

Fencing:

Fencing Type: Wildlife Fencing Condition: Adequate

Comment: Chain link fence has mesh along bottom half to prevent wildlife access.

Corrective Action		Date:
<u>Netting:</u>		
Netting Type:	Netting Condition:	
Comment:	No netting installed. Pit has floating cover that contained precipitation on inspection date. See photos.	
Corrective Action		Date:
Anchor Trench Present: <u>YES</u> Oil Accumulation: <u>NO</u> 2+ feet Freeboard: <u>YES</u>		
Comment:	Diesel tank at SE corner of pit has adequate secondary containment.	
Corrective Action		Date:
Type: <u>Produced Water</u> Lined: <u>YES</u> Pit ID: <u>435836</u> Lat: <u>39.470092</u> Long: <u>-107.715772</u>		
Reference Point:	Other:	Length: 450 Width: 120
<u>Lining:</u>		
Liner Type: <u>HDPE</u>	Liner Condition:	
Comment:	Pit Report indicates that pit has HDPE liner. Floating cover prevented direct observation of liner conditions on inspection date.	
Corrective Action		Date:
<u>Fencing:</u>		
Fencing Type: <u>Wildlife</u>	Fencing Condition: <u>Adequate</u>	
Comment:	Pit complex shares chain link fence with 2' of mesh along bottom and three strands of barbed wire along top on north, west, and south sides. Access from east is prevented by tank batteries and water facility.	
Corrective Action		Date:
<u>Netting:</u>		
Netting Type:	Netting Condition:	
Comment:	No netting installed. Pit has floating cover that contained precipitation on inspection date. See photos.	
Corrective Action		Date:
Anchor Trench Present: <u>YES</u> Oil Accumulation: <u>NO</u> 2+ feet Freeboard: <u>YES</u>		
Comment:		
Corrective Action		Date:
Type: <u>Produced Water</u> Lined: <u>YES</u> Pit ID: <u>435837</u> Lat: <u>39.470736</u> Long: <u>-107.715945</u>		
Reference Point:	Other:	Length: 430 Width: 200
<u>Lining:</u>		
Liner Type: <u>HDPE</u>	Liner Condition: <u>Adequate</u>	
Comment:	No gaps or tears in visible portion of liner.	
Corrective Action		Date:
<u>Fencing:</u>		
Fencing Type: <u>Wildlife</u>	Fencing Condition: <u>Adequate</u>	
Comment:	Pit complex shares chain link fence with 2' of mesh along bottom and three strands of barbed wire along top along north, west, and south sides. Access from east is prevented by tank batteries and water facility.	

Corrective Action		Date:
Netting:		
Netting Type:	Netting Condition:	
Comment:	No netting.	
Corrective Action		Date:
Anchor Trench Present: <u>YES</u>	Oil Accumulation: <u>NO</u>	2+ feet Freeboard: <u>YES</u>
Comment:	No condensate observed on pit.	
Corrective Action		Date:

Attached Documents

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

Document Num	Description	URL
401810128	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4621444
681701114	20181018 Field Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4621426