

**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:

07/29/2019

Submitted Date:

08/07/2019

Document Number:

690200035**FIELD INSPECTION FORM**Loc ID 335875 Inspector Name: Heil, John On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**OGCC Operator Number: 10456Name of Operator: CAERUS PICEANCE LLCAddress: 1001 17TH STREET #1600City: DENVER State: CO Zip: 80202**Status Summary:**

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

Findings:9 Number of Comments5 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
,		dnr_cogccenforcement@state.co.us	
,		COGCC.inspections@caerusoilandgas.com	All Inspections
Arauza, Steven		steven.arauza@state.co.us	
Burger, Craig		craig.burger@state.co.us	
Mize-Spansky, Kristine		kmizespansky@caerusoilandgas.com	
Middleton, Brett		bmiddleton@caerusoilandgas.com	Sr. Environmental Specialist
Fischer, Alex		alex.fischer@state.co.us	
Colby, Lou		lou.colby@state.co.us	

General Comment:

On July 29, 2019, COGCC Environmental Staff (John Heil and Steven Arauza) conducted an environmental field inspection of CAERUS PICEANCE LLC (Caerus operator #10456) 596-31A-65S96W Location ID 335875. Follow-up to operator's proposed water sharing plan Sundry Notice (docs #402090536).

Weather was sunny and temperatures about 70 degrees Fahrenheit.

Upon inspection, COGCC staff observed an active gas leak from wellheads 31A-12 (API 05-045-14727), 31A-24 (API 05-045-15081) and an active leak coming from the process pipe pump control area (See photos and attachments). COGCC staff also observed an active ECD, but the burner was out during inspection. Operator was notified via cell phone on July 29, 2019 with regards the mentioned leaks and the ECD burner.

LocationOverall Good: ☐

Emergency Contact Number:

Comment: Corrective Action: Date: **Good Housekeeping:**

Type	TRASH		
Comment:	Trash in secondary containment of the tank battery (See photos).		
Corrective Action:	Comply with Rule 603.f .		Date: <u>08/17/2019</u>
Type	STORAGE OF SUPL		
Comment:	Assorted metal equipment stored in direct contact with tank battery liner has potential to cause damage to liner (See photos).		
Corrective Action:	Comply with Rule 603.f. (equipment inside tank battery)		Date: <u>09/07/2019</u>

Overall Good: ☐**Spills:**

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

In Containment: No ☐Comment: ☐ Multiple Spills and Releases?**Equipment:**

corrective date

Type: Other	#		
Comment:	Active leak coming from the process pipe pump control area (See photos).		
Corrective Action:	Securely fasten all valves, pipes, and fittings to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 605.d. Remove and properly dispose of oily waste, per Rule 907.e		Date: <u>08/08/2019</u>
Type: Emission Control Device	#		
Comment:	ECD burner was out during inspection. Operator was notified via phone on 7/29/2019		
Corrective Action:			Date:
Type: Other	#		
Comment:	Well cellars uncovered with no wildlife egress.		
Corrective Action:	Install wildlife protection equipment.		Date: <u>08/17/2019</u>
Type: Other	#		
Comment:	Active gas leak from wellheads 31A-12 (API 05-045-14727) and 31A-24 (API 05-045-15081) (See attachments).		
Corrective Action:	Securely fasten all valves, pipes, and fittings to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 605.d. (wellhead)		Date: <u>08/08/2019</u>

Venting:

Yes/No			
Comment:			
Corrective Action:			Date:

Flaring:

Type		
Comment:		
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
402136742	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4901767
690200037	20190729 Leaking 31A-12 wellhead	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4901764
690200038	20190729 Leaking 31A-24 wellhead	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4901765
690200040	20190729 photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4901766