

**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:

08/30/2019

Submitted Date:

09/10/2019

Document Number:

698100068**FIELD INSPECTION FORM**Loc ID 335875 Inspector Name: Arauza, Steven 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:**6 Number of Comments4 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
Pesicka, Conor		conor.pesicka@state.co.us	
Mize-Spansky, Kristine		kmizespansky@caerusoilandgas.com	
,		dnr_cogccenforcement@state.co.us	
Heil, John		john.heil@state.co.us	
Colby, Lou		lou.colby@state.co.us	
Fischer, Alex		alex.fischer@state.co.us	
,		COGCC.inspections@caerusoilandgas.com	All Inspections

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
292470	WELL	PR	05/01/2018	SI	045-14727	596-31A 12	EI
293641	WELL	PR	07/01/2018	SI	045-15077	596-31A 28	EI
293642	WELL	PR	06/01/2018	SI	045-15078	596-31A 27	EI
293643	WELL	PR	06/01/2018	SI	045-15079	596-31A 26	EI
293644	WELL	PR	07/01/2018	SI	045-15080	596-31A 25	EI
293645	WELL	PR	06/01/2018	SI	045-15081	596-31A 24	EI
293646	WELL	PR	06/01/2018	SI	045-15082	596-31A 23	EI
293647	WELL	PR	08/01/2018	GW	045-15083	596-30C 28	EI
293648	WELL	PR	10/29/2010	GW	045-15084	596-31A 21	EI
293650	WELL	PR	08/01/2018	SI	045-15086	596-31A 17	EI
293651	WELL	PR	06/01/2018	SI	045-15087	596-31A 16	EI
293652	WELL	PR	07/01/2018	SI	045-15088	596-31A 15	EI
293653	WELL	PR	06/01/2018	SI	045-15089	596-31A 14	EI
293654	WELL	PR	06/01/2018	SI	045-15090	596-31A 13	EI

293655	WELL	PR	05/01/2018	OW	045-15091	596-31A 11	EI
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General Comment:

COGCC Environmental Inspection. Follow-up to 7/29/2019 Field Inspection Report (FIR) #690200035. Weather conditions during inspection were Sunny with a temperature of 65 degrees Fahrenheit.

Corrective actions listed on previous FIR have been addressed by operator: tank battery has been cleaned up, stained soil underlying process pipe pump control area has been removed, no active leaks were observed from process pipe pump control on inspection date, well cellars have been backfilled to prevent wildlife access, no active gas leaks were observed from wellheads.

Operator was contacted via phone on inspection date to notify them of a gas leak observed at a horizontal separator and of rattling noise observed at plunger lift for the #596-31A-27 well. See following sections for corrective actions and attached field photos.

LocationOverall Good: ☐

Emergency Contact Number:

Comment: Emergency contact number (866-662-2378) listed on red wellhead signs on east side of fence was tested on 8/30/2019 and rings to Marathon Oil emergency response. Number appears to be out of date, as live answer indicated that they are no longer responsible for assets in the Piceance.

Corrective Action: Install sign to comply with Rule 210.e.

Date: 10/10/2019

Good Housekeeping:

Type UNUSED EQUIPMENT

Comment: Uncapped, unmarked process pipe observed inside of fenced wellhead 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. Comply with Rule 603.f for unused equipment.

Date: 10/10/2019

Overall Good: ☐**Spills:**

Type Area Volume

In Containment: No

Comment:

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

corrective date

Type: Plunger Lift # 1

Comment: Rattling was observed at 596-31A-27 plunger lift. Operator was notified of rattling noise via phone on inspection date.

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. (plunger lift)

Date: 09/30/2019

Type: Horizontal Heated Separator # 8

Comment: On inspection date, an audible gas leak was observed inside separator shed for 31A #12, #13, and #14 wells. Gas concentration was sufficient to trigger LEL alarm on inspector's four-gas meter. Operator was notified of gas leak via phone on inspection date.

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. (separator)

Date: 09/30/2019

Venting:

Yes/No

Comment:

Corrective Action:

Date:

Flaring:

Type

Comment:

Corrective Action:

Date:

Inspected Facilities

Facility ID: <u>292470</u>	Type: <u>WELL</u>	API Number: <u>045-14727</u>	Status: <u>PR</u>	Insp. Status: <u>EI</u>
Facility ID: <u>293641</u>	Type: <u>WELL</u>	API Number: <u>045-15077</u>	Status: <u>PR</u>	Insp. Status: <u>EI</u>
Facility ID: <u>293642</u>	Type: <u>WELL</u>	API Number: <u>045-15078</u>	Status: <u>PR</u>	Insp. Status: <u>EI</u>
Facility ID: <u>293643</u>	Type: <u>WELL</u>	API Number: <u>045-15079</u>	Status: <u>PR</u>	Insp. Status: <u>EI</u>
Facility ID: <u>293644</u>	Type: <u>WELL</u>	API Number: <u>045-15080</u>	Status: <u>PR</u>	Insp. Status: <u>EI</u>
Facility ID: <u>293645</u>	Type: <u>WELL</u>	API Number: <u>045-15081</u>	Status: <u>PR</u>	Insp. Status: <u>EI</u>
Facility ID: <u>293646</u>	Type: <u>WELL</u>	API Number: <u>045-15082</u>	Status: <u>PR</u>	Insp. Status: <u>EI</u>
Facility ID: <u>293647</u>	Type: <u>WELL</u>	API Number: <u>045-15083</u>	Status: <u>PR</u>	Insp. Status: <u>EI</u>
Facility ID: <u>293648</u>	Type: <u>WELL</u>	API Number: <u>045-15084</u>	Status: <u>PR</u>	Insp. Status: <u>EI</u>
Facility ID: <u>293650</u>	Type: <u>WELL</u>	API Number: <u>045-15086</u>	Status: <u>PR</u>	Insp. Status: <u>EI</u>
Facility ID: <u>293651</u>	Type: <u>WELL</u>	API Number: <u>045-15087</u>	Status: <u>PR</u>	Insp. Status: <u>EI</u>
Facility ID: <u>293652</u>	Type: <u>WELL</u>	API Number: <u>045-15088</u>	Status: <u>PR</u>	Insp. Status: <u>EI</u>
Facility ID: <u>293653</u>	Type: <u>WELL</u>	API Number: <u>045-15089</u>	Status: <u>PR</u>	Insp. Status: <u>EI</u>
Facility ID: <u>293654</u>	Type: <u>WELL</u>	API Number: <u>045-15090</u>	Status: <u>PR</u>	Insp. Status: <u>EI</u>
Facility ID: <u>293655</u>	Type: <u>WELL</u>	API Number: <u>045-15091</u>	Status: <u>PR</u>	Insp. Status: <u>EI</u>

Attached Documents

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

Document Num	Description	URL
402172075	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4933503
698100075	20190830 field photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4933484