

**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:

09/19/2019

Submitted Date:

10/08/2019

Document Number:

699700034**FIELD INSPECTION FORM**Loc ID 334069 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:**7 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
Fischer, Alex		alex.fischer@state.co.us	
Arauzo, Steven		steven.arauza@state.co.us	
,		COGCC.inspections@caerus oilandgas.com	All Inspections
Hughes, Jim		jimo.hughes@state.co.us	
Janicek, Jake		JJanicek@caerusoilandgas.c om	EHS Professional

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
262866	WELL	PR	09/17/2002	GW	045-08064	SHIDELER 1-7 (G1)	PR
268506	WELL	PR	07/08/2004	GW	045-09268	HMU 1-6D (G1)	PR
282079	WELL	PR	08/25/2006	GW	045-11633	SHIDLER FEDERAL 1-9 (G1SW)	PR
282080	WELL	PR	08/26/2006	GW	045-11632	SHIDELER FEDERAL 1-2C (G1SW)	PR
282081	WELL	PR	07/21/2006	GW	045-11631	SHIDELER 1-1C (G1SW)	PR
448984	SPILL OR RELEASE	CL	01/13/2017		-	G1SW Valve Set	EI
454662	SPILL OR RELEASE	CL	04/30/2018		-	SPILL/RELEASE POINT	EI
466951	SPILL OR RELEASE	AC	09/03/2019		-	SHIDELER-68S93W 1SWNE	EI

General Comment:

On September 19, 2019, COGCC Environmental Staff (John Heil and Alex Fischer) conducted an environmental field inspection of CAERUS PICEANCE LLC (Caerus operator #10456) SHIDELER G1SW Location ID 334069 Spill ID 466951. Weather was sunny and temperatures about 75 degrees Fahrenheit.

Inspection included visual observation of the right away and arroyo located north of the well pad. COGCC staff observed subsidence within the right away and a hole (3 feet in diameter and 2 feet deep) halfway between the well pad and arroyo (Near pipeline marker). COGCC staff observed pools of fluids within the arroyo and salt stained / moist soil. See photos.

LocationOverall Good: ☐

Emergency Contact Number:

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

Type	OTHER		
Comment:	5-6 feet diameter of stained gravel within secondary containment of the upper tank battery (Tank# 4, 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.		Date: 10/23/2019
Type	OTHER		
Comment:	2-inch hole in the secondary containment liner of the lower tank battery (See photos). 5-6-inch hole and pen sized hole in a patch in the secondary containment liner of the upper tank battery (See photos).		
Corrective Action:	Repair or install berms or other secondary containment devices per Rule 906.d.(1).		Date: 10/28/2019
Type	OTHER		
Comment:	Rusted out bull plug on ASTs in the lower tank battery (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. If tanks are no longer in use they are considered unused equipment, Comply with Rule 603.f.		Date: 10/23/2019

Overall Good: ☐**Spills:**

Type	Area	Volume		
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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>262866</u>	Type: <u>WELL</u>	API Number: <u>045-08064</u>	Status: <u>PR</u>	Insp. Status: <u>PR</u>
Facility ID: <u>268506</u>	Type: <u>WELL</u>	API Number: <u>045-09268</u>	Status: <u>PR</u>	Insp. Status: <u>PR</u>
Facility ID: <u>282079</u>	Type: <u>WELL</u>	API Number: <u>045-11633</u>	Status: <u>PR</u>	Insp. Status: <u>PR</u>
Facility ID: <u>282080</u>	Type: <u>WELL</u>	API Number: <u>045-11632</u>	Status: <u>PR</u>	Insp. Status: <u>PR</u>
Facility ID: <u>282081</u>	Type: <u>WELL</u>	API Number: <u>045-11631</u>	Status: <u>PR</u>	Insp. Status: <u>PR</u>
Facility ID: <u>448984</u>	Type: <u>SPILL OR</u>	API Number: <u>-</u>	Status: <u>CL</u>	Insp. Status: <u>EI</u>
Facility ID: <u>454662</u>	Type: <u>SPILL OR</u>	API Number: <u>-</u>	Status: <u>CL</u>	Insp. Status: <u>EI</u>
Facility ID: <u>466951</u>	Type: <u>SPILL OR</u>	API Number: <u>-</u>	Status: <u>AC</u>	Insp. Status: <u>EI</u>

Environmental**Spills/Releases:**

Type of Spill: PRODUCED WATER

Estimated Spill Volume: _____

Comment: Operator discovered a small amount of pooled water around the MCU injection pipeline and building, see Spill ID 46651 and Doc# 402153581. COGCC staff observed a 10 feet by 200 feet by 6 feet deep excavation located north of the upper tank battery and an assortment of flowlines within the excavation. COGCC staff did not observe any hydrocarbon odor or staining within the excavation or stockpiled soil.

Corrective Action: Comply with COAs on Doc# 402162155.

Date: _____

Reportable: YES

GPS: Lat _____

Long _____

Proximity to Surface Water: _____

Depth to Ground Water: _____

Water Well Complaint:

Lat _____

Long _____

DWR Receipt Num: _____

Owner Name: _____

GPS : _____

Field Parameters:

Sample Location: _____

Comment: _____

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

Document Num	Description	URL
402203524	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4958439
699700039	20190919 photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4958438