

**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:

12/28/2019

Submitted Date:

01/03/2020

Document Number:

693200484

FIELD INSPECTION FORMLoc ID 334416 Inspector Name: Murray, Richard 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:

4 Number of Comments

1 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
Schlagenhauf, Mark		mark.schlagenhauf@state.co.us	Engineering Integrity Supervisor
Elsener, Caerus		COGCC.inspections@caerusoilandgas.com	All Piceance inspections
Janicek, Jake		COGCC.inspections@caerusoilandgas.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
296941	WELL	PR	06/18/2011	GW	077-09661	Keinath Federal 10-10H (C16OU)	SI
296942	WELL	PR	06/18/2011	GW	077-09662	Keinath Federal 17-11AH (C16OU)	SI
296943	WELL	PR	05/01/2012	GW	077-09663	Keinath Federal 17-11H (C16OU)	SI
469290	SPILL OR RELEASE	AC	11/26/2019		-	C16OU Flowline Release	EG

General Comment:

Engineering Integrity Inspection performed on January 3, 2020. In response to Supplemental form 19 spill report Doc # 402272354

COGCC joint inspection with EPS J. Heil, EPS S. Arauza and Western Integrity Inspector R. Murray

Photo log attached

Inspected Facilities

Facility ID: <u>296941</u>	Type: <u>WELL</u>	API Number: <u>077-09661</u>	Status: <u>PR</u>	Insp. Status: <u>SI</u>
Facility ID: <u>296942</u>	Type: <u>WELL</u>	API Number: <u>077-09662</u>	Status: <u>PR</u>	Insp. Status: <u>SI</u>
Facility ID: <u>296943</u>	Type: <u>WELL</u>	API Number: <u>077-09663</u>	Status: <u>PR</u>	Insp. Status: <u>SI</u>
Facility ID: <u>469290</u>	Type: <u>SPILL OR</u>	API Number: <u>-</u>	Status: <u>AC</u>	Insp. Status: <u>EG</u>

Flowline

#1	Type: Dump Line	1 of Lines
----	-----------------	------------

Flowline Description

Flowline Type: Dump Line Size: 2" Material: Carbon Steel
 Variance: No Age: 5-10 Yrs Contents: Produced Water

Integrity Summary

Failures: Internal Corrosion Spills: Yes Repairs Made: No
 Coatings: Yes External H2S: No Cathodic Protection: No

Pressure Testing

Witnessed: Test Result: Charted:

COGCC Rules(check all that apply)

☐ 1101. Installation and Reclamation ☒ 1102. Operations, Maintenance, and Repair ☐ 1103. Abandonment

Comment: Leak was found during routine pressures testing

Operator states: The dumpline failed at the first elbow downstream of the production separator. The root cause is internal corrosion. All dumplines on this location will be replaced with corrosion resistant stainless steel lines.

Corrective Action: Provide flowline annual pressure test data results for previous year . Via FIRR and email to Western Integrity inspector

Contact Western Integrity inspector to witness pressure test before returning into service

Date: 01/17/2020

Attached Documents

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

Document Num	Description	URL
402277331	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5028404
693200486	photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5028396