

**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:

01/13/2020

Submitted Date:

01/13/2020

Document Number:

693200545

FIELD INSPECTION FORMLoc ID 335312 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
Caerus		COGCC.inspections@caerus oilandgas.com	All Piceance inspections
Schlagenhauf, Mark		mark.schlagenhauf@state.co. us	Engineering Integrity Supervisor

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
270263	WELL	PR	06/25/2004	GW	045-09502	LAZIER 26-2(H26NW)	PR
270271	WELL	SI	09/01/2019	GW	045-09514	BENZEL 26-7B (H26NW)	SI
270290	WELL	PR	06/06/2004	GW	045-09520	BENZEL 26-7B1 (H26NW)	PR
270292	WELL	PR	06/21/2004	GW	045-09521	BENZEL 26-7A (H26NW)	PR
468725	SPILL OR RELEASE	CL	11/18/2019		-	Dump line	EG

General Comment:

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

Engineering Integrity Inspection performed on January 10, 2019. In response to SUPPLEMENTAL Form 19, document 402242900

Inspected Facilities

Facility ID: 270263 Type: WELL API Number: 045-09502 Status: PR Insp. Status: PR

Flowline

#1	Type: Dump Line	1 of Lines
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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: Operator states: The dumpline failure analysis deteremined the primary failure mechanism is erosion caused by the abrupt direction difference of flow. The failure point was found to be where the 2.5 inch line flows perpendicular into the 3.5 inch line.

The dumpline is being rebuilt using stainless steel, a non-corrosive material.

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

Date: 01/20/2020

Facility ID: 270271 Type: WELL API Number: 045-09514 Status: SI Insp. Status: SI

Facility ID: 270290 Type: WELL API Number: 045-09520 Status: PR Insp. Status: PR

Facility ID: 270292 Type: WELL API Number: 045-09521 Status: PR Insp. Status: PR

Facility ID: 468725 Type: SPILL OR API Number: - Status: CL Insp. Status: EG

Attached Documents

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

Document Num	Description	URL
402284376	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5036312
693200546	Phot log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5036307