

**FORM
INSP**Rev
X/20**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:

03/21/2023

Submitted Date:

03/23/2023

Document Number:

696204780

FIELD INSPECTION FORMLoc ID 335581 Inspector Name: Trujillo, Aaron 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:

9 Number of Comments

3 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
,		COGCC.inspections@caerus oilandgas.com	All Inspections

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
275235	WELL	PR	03/01/2019	GW	045-13491	CHEVRON 13A-17D	RI
275236	WELL	PR	03/01/2019	GW	045-13492	CHEVRON 12D-17D	RI
275237	WELL	PR	03/01/2019	GW	045-13493	CHEVRON 12B-17D	RI
284329	WELL	PR	04/01/2019	GW	045-12151	CHEVRON 3F-17D	RI
284330	WELL	PR	04/01/2019	GW	045-12150	CHEVRON 5F-17	RI
335581	LOCATION	AC			-	CHEVRON-66S96W 17SEW	RI

General Comment:

On 3/21/2023, Reclamation Specialist Trujillo inspected Caerus Piceance's CHEVRON-66S96W/17SEW Location in Garfield County, Colorado.

Location within a CPW High Priority Habitat area.

This inspection is a follow-up to #696204610 and #696204746 to document compliance with the following corrective actions:

-Liner integrity

-Stormwater: Pad/access road lacks stabilization

It was observed in this inspection that the Location remains out of compliance with COGCC Rules and Corrective actions

The following new compliance issues were observed during this inspection:

-Leak at the Chevron 12D-17D.

Operator (pumper) was onsite at time of inspection (10:46 hours), and was notified of the leak, and provided 24 hour notice to stop leak and ensure good mechanical condition.

Refer to the "Location", "Reclamation" and "stormwater" sections of this inspection report for additional details.

Refer to the photo-documentation of the observed compliance issues attached to this report.

Any corrective action(s) from previous inspections that have not been addressed are still applicable.

A follow up inspection on this site will be conducted to ensure the compliance issues have been corrected to comply with COGCC rules.

LocationOverall Good: ☐**Signs/Marker:**

Type	TANK LABELS/PLACARDS		
Comment:			
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:			
Corrective Action:		Date:	
Type	BATTERY		
Comment:			
Corrective Action:		Date:	

Emergency Contact Number:

Comment: 1-866-580-9382/911

Corrective Action:

Date: _____

Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

Comment:

☐ Multiple Spills and Releases?**Fencing/:**

Type	TANK BATTERY		
Comment:	Paneling/barbed wire		
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:	Metal pipe		
Corrective Action:		Date:	
Type	SEPARATOR		
Comment:	Barbed wire		
Corrective Action:		Date:	

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
OTHER	1	300 BBLS	STEEL AST		,
Comment:					
Corrective Action:					Date:

Paint

Condition	
Other (Content)	Produced water/condensate mix

Other (Capacity)	
Other (Type)	

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal			Base Insufficient	Inadequate
Comment:	<p>Inspection #696204610 and #696204746 observed tear within base of the liner; Secondary containment does not appear sufficiently impervious to contain spilled or released materials. Inspection required Operator to maintain BMP to ensure containment is sufficiently impervious to contain spill or release.</p> <p>It was observed in this inspection that Operator appears to have attempted to make repairs to the liner, however patch to the liner base has not been adequately installed/applied/maintained, has peeled of re-exposing the tear in the liner; BMPs remains insufficiently impervious to contain spill or release.</p>			
Corrective Action:	Maintain BMP to ensure containment is sufficiently impervious to contain spill or release.			Date: 02/27/2023

Venting:

Yes/No			
Comment:			
Corrective Action:		Date:	

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Inspected Facilities

Facility ID: <u>275235</u>	Type: <u>WELL</u>	API Number: <u>045-13491</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
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Facility ID: <u>275236</u>	Type: <u>WELL</u>	API Number: <u>045-13492</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
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Producing Well

Comment:	Gas observed bubbling from the Chevron 12D-17D. Operator (pumper) on site was notified of the leak, and provided 24 hour notice to stop leak and ensure good mechanical condition.
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Corrective Action:	Securely fasten all valves, pipes, fittings, and Production Facilities to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition
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Date:	<u>03/22/2023</u>
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Facility ID: <u>275237</u>	Type: <u>WELL</u>	API Number: <u>045-13493</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
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Facility ID: <u>284329</u>	Type: <u>WELL</u>	API Number: <u>045-12151</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
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Facility ID: <u>284330</u>	Type: <u>WELL</u>	API Number: <u>045-12150</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
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Facility ID: <u>335581</u>	Type: <u>LOCATION</u>	API Number: <u>-</u>	Status: <u>AC</u>	Insp. Status: <u>RI</u>
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Reclamation - Storm Water - Pit**Storm Water:**

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment

Comment: Inspection #696204746 observed that BMPs to minimize erosion, degradation, tracking and sediment transport are missing or insufficient at the Location; tracking/degradation/sediment transport observed. Inspections required Operator to comply with 1002.f.

It was observed in this inspection that Operator appears to have graded the Location and road since the previous inspection, however stormwater and erosion control BMPs, including tracking controls, remain missing or insufficient; degradation has persisted. Repairing only by grading will not be sufficient. BMP's must be implemented in accordance with good engineering practices and must be maintained.

This corrective action has not been addressed and remains applicable.

Corrective Action: **Install or repair required BMPs per Rule 1002.f.**

Date: 03/11/2023

Pits: ☐ NO SURFACE INDICATION OF PIT

Attached Documents

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

Document Num	Description	URL
403354796	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6060670
696204781	Leak at the Chevron 12D-17D	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6060641
696204782	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6060642