

**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:

06/08/2023

Submitted Date:

06/08/2023

Document Number:

708900704

FIELD INSPECTION FORM
 Loc ID 335856 Inspector Name: Smelser, Wayne 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:

29 Number of Comments

2 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 | |
| Kellerby, Shaun | | shaun.kellerby@state.co.us | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|-----------------------------|-------------|
| 293448 | WELL | PR | 06/10/2011 | GW | 045-14991 | N. Parachute MF15A E09 696 | PR |
| 293449 | WELL | PR | 07/13/2011 | GW | 045-14992 | N. Parachute MF10A E09 696 | PR |
| 293450 | WELL | PR | 06/10/2011 | GW | 045-14993 | N. Parachute MF10B E09 696 | PR |
| 293451 | WELL | PR | 06/10/2011 | GW | 045-14994 | N. Parachute MF10C E09 696 | PR |
| 293452 | WELL | PR | 07/13/2011 | GW | 045-14995 | N. Parachute MF10D E09 696 | PR |
| 293453 | WELL | PR | 05/12/2011 | GW | 045-14996 | N. Parachute MF07C E09 696 | PR |
| 414642 | WELL | PR | 02/01/2021 | GW | 045-18867 | N.PARACHUTE MF02C-9 E09 696 | PR |
| 414644 | WELL | PR | 06/10/2011 | GW | 045-18886 | N.PARACHUTE MF07D-9 E09 696 | PR |

General Comment:

COGCC Inspection Report Summary

On 06/08/2023 at approximately 11:00 hours, I, Compliance Specialist, Wayne Smelser

Conducted a follow up inspection at CAERUS PICEANCE LLC N. Parachute Middle Fork E09 696 pad

Location # 335856 in Garfield County Colorado.

Please refer to Inspection 708900102 conducted on 03/09/2023, previous corrective actions have been completed.

Location is within High Priority/Density/Black Bear Habitat areas & in close proximity to NSO Habitat area.

Location is approximately 321 yards from Parachute Creek.

While there, I observed normal production operations.

During this inspection the following compliance issues were observed:

1. Stained gravel & soils with a CA date of 06/18/2023
2. Wildlife hazard - Open ended kelly hose with a CA date of 06/15/2023

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

This is a summary of inspection report.

Production separation equipment & production tanks located at Middlefork Station facility #'s 419757 & 470699.

Location**Lease Road:**

| | | | |
|-------------------|--------|-------|--|
| Type | Access | | |
| comment: | | | |
| Corrective Action | | Date: | |

Overall Good: ☐**Signs/Marker:**

| | | | |
|--------------------|----------------------|-------|--|
| Type | TANK LABELS/PLACARDS | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | OTHER | | |
| Comment: | Sign on access road | | |
| Corrective Action: | | Date: | |
| Type | WELLHEAD | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | CONTAINERS | | |
| Comment: | Chemical tanks | | |
| Corrective Action: | | Date: | |

Emergency Contact Number:

| | | |
|--------------------|------------------|-------------|
| Comment: | 911/970-285-2615 | |
| Corrective Action: | | Date: _____ |

Good Housekeeping:

| | | | |
|--------------------|--|-------|------------|
| Type | OTHER | | |
| Comment: | Stained soils & gravel around 2 wellheads | | |
| Corrective Action: | Remove and properly dispose of all stained soils and gravel. | Date: | 06/18/2023 |

Overall Good: ☐**Spills:**

| | | | | |
|------|------|--------|--|--|
| Type | Area | Volume | | |
|------|------|--------|--|--|

In Containment: No

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

| | | | |
|--------------------|---|-------|--|
| Type | OTHER | | |
| Comment: | Gas lift meter houses - Jersey barriers | | |
| Corrective Action: | | Date: | |
| Type | OTHER | | |
| Comment: | Gas meter houses - Jersey barriers | | |
| Corrective Action: | | Date: | |

| | | | |
|--------------------|----------------------------------|-------|--|
| Type | OTHER | | |
| Comment: | Chemical tanks - Jersey barriers | | |
| Corrective Action: | | Date: | |
| Type | WELLHEAD | | |
| Comment: | Jersey barriers | | |
| Corrective Action: | | Date: | |

Equipment:

| | | | |
|---------------------------|--|-------|-----------------|
| | | | corrective date |
| Type: Gas Meter Run | # 8 | | |
| Comment: | Gas lift | | |
| Corrective Action: | | Date: | |
| Type: Bradenhead | # 8 | | |
| Comment: | No form of pressure monitoring equipment located on bradenheads. All bradenhead valves are accessible. | | |
| Corrective Action: | | Date: | |
| Type: Gas Meter Run | # 8 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Other | # 1 | | |
| Comment: | Wildlife hazard - open ended kelly hose near gas meters | | |
| Corrective Action: | Operators will prevent & minimize adverse impacts to wildlife resources. | Date: | 06/15/2023 |
| Type: Plunger Lift | # 8 | | |
| Comment: | All wells on plunger lift | | |
| Corrective Action: | | Date: | |
| Type: Ancillary equipment | # 2 | | |
| Comment: | Chemical tanks | | |
| Corrective Action: | | Date: | |

Tanks and Berms:

| | | | | | | |
|--------------------|-------------------------------|-----------|-----------|---------|--------|--|
| Contents | # | Capacity | Type | Tank ID | SE GPS | |
| CONDENSATE | 1 | <100 BBLS | STEEL AST | | , | |
| Comment: | 80 bbl blowdown & unload tank | | | | | |
| Corrective Action: | | | | | Date: | |

Paint

| | | |
|------------------|----------|--|
| Condition | Adequate | |
| Other (Content) | | |
| Other (Capacity) | 80 bbl | |
| Other (Type) | | |

Berms

| | | | | |
|----------|----------|---------------------|---------------------|-------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Metal | Adequate | Walls Sufficent | Base Sufficent | |
| Comment: | | | | |

| | | | |
|--------------------|--|-------|--|
| Corrective Action: | | Date: | |
|--------------------|--|-------|--|

Venting:

| | | | |
|--------------------|----|-------|--|
| Yes/No | NO | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Flaring:

| | | |
|--------------------|--|-------|
| Type | | |
| Comment: | | |
| Corrective Action: | | Date: |

| | | | |
|--|--|--|--|
| | | | |
|--|--|--|--|

| Inspected Facilities | | | | | | | | | |
|-----------------------|--|-------|------|-------------|-----------|---------|----|---------------|----|
| Facility ID: | 293448 | Type: | WELL | API Number: | 045-14991 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | Producing, well on plunger lift & gas lift | | | | | | | | |
| Corrective Action: | | | | | | Date: | | | |
| Facility ID: | 293449 | Type: | WELL | API Number: | 045-14992 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | Producing, well on plunger lift & gas lift | | | | | | | | |
| Corrective Action: | | | | | | Date: | | | |
| Facility ID: | 293450 | Type: | WELL | API Number: | 045-14993 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | Producing, well on plunger lift & gas lift | | | | | | | | |
| Corrective Action: | | | | | | Date: | | | |
| Facility ID: | 293451 | Type: | WELL | API Number: | 045-14994 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | Producing, well on plunger lift & gas lift | | | | | | | | |
| Corrective Action: | | | | | | Date: | | | |
| Facility ID: | 293452 | Type: | WELL | API Number: | 045-14995 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | Producing, well on plunger lift & gas lift | | | | | | | | |
| Corrective Action: | | | | | | Date: | | | |
| Facility ID: | 293453 | Type: | WELL | API Number: | 045-14996 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | Producing, well on plunger lift & gas lift | | | | | | | | |
| Corrective Action: | | | | | | Date: | | | |
| Facility ID: | 414642 | Type: | WELL | API Number: | 045-18867 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | Producing, well on plunger lift & gas lift | | | | | | | | |
| Corrective Action: | | | | | | Date: | | | |
| Facility ID: | 414644 | Type: | WELL | API Number: | 045-18886 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | Producing, well on plunger lift & gas lift | | | | | | | | |
| Corrective Action: | | | | | | Date: | | | |

| |
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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 |
|------------------|-----------------|-------------------------|-----------------------|--|--------------------------|--------------------------------|
| Waddles | | | | | | |
| | | Ditches | | | | |
| | | | | Material Handling And Spill Prevention | | Chemical tank containments |
| Rip Rap | | | | | | |
| | | Compaction | | | | |
| | | Gravel | | | | Sparse |
| | | Culverts | | | | |
| Compaction | | | | | | Some areas of light compaction |
| Ditches | | | | | | |
| Gravel | | | | | | Sparse in some areas |
| Retention Ponds | | | | | | |
| Berms | | | | | | |

Comment: Location appears to have some gravel throughout the location with light compaction. Places with sparse to no gravel are present on location. Sparse gravel and light compaction could lead to future stabilization and tracking issues.

Corrective Action:

Date: _____

Pits: ☒ NO SURFACE INDICATION OF PIT

COGCC Comments

| Comment | User | Date |
|---|----------|------------|
| Please refer to Housekeeping & Equipment for observed compliance issues. | smelserw | 06/08/2023 |
| Production separation equipment & production tanks located at Middlefork Station facility #s 419757 & 470699. | | |

Attached Documents

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

| Document Num | Description | URL |
|--------------|---|---|
| 403428503 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6141008 |
| 708900705 | Inspection 708900704 photo log | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6141004 |
| 708900706 | Inspection 708900704 Stormwater photo log | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6141005 |