

**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:

08/08/2023

Submitted Date:

08/13/2023

Document Number:

708901338

**FIELD INSPECTION FORM**

Loc ID: 334933  
Inspector Name: Smelser, Wayne  
On-Site Inspection:   
2A Doc Num: \_\_\_\_\_

**Status Summary:**  
 THIS IS A FOLLOW UP INSPECTION  
 FOLLOW UP INSPECTION REQUIRED  
 NO FOLLOW UP INSPECTION REQUIRED

**Findings:**  
 19 Number of Comments  
 2 Number of Corrective Actions  
 Corrective Action Response Requested

**Operator Information:**  
 OGCC Operator Number: 10456  
 Name of Operator: CAERUS PICEANCE LLC  
 Address: 1001 17TH STREET #1600  
 City: DENVER State: CO Zip: 80202

**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@caerusoilandgas.com |         |
| Toews, Wesley |       | wtoews@blm.gov                        |         |

**Inspected Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num   | Facility Name           | Insp Status |
|-------------|------|--------|-------------|------------|-----------|-------------------------|-------------|
| 256551      | WELL | PR     | 03/26/2004  | GW         | 045-07470 | HMU FEDERAL 18-15 (N18) | PR          |
| 256552      | WELL | PR     | 01/04/2000  | GW         | 045-07472 | HMR FEDERAL 18-11 (N18) | PR          |
| 256553      | WELL | PR     | 10/25/2001  | GW         | 045-07471 | HMR FEDERAL 18-14 (N18) | PR          |

**General Comment:**

CECMC Inspection Report Summary  
 On 08/08/2023 at approximately 10:49 hours, I, Compliance Specialist, Wayne Smelser Conducted an on-site inspection at CAERUS PICEANCE LLC N18 Pad. Location # 334933 in Garfield County Colorado. Location is within High Priority/Density/NSO/Black Bear Habitat areas. Location is approximately 63 yards from West Mamm Creek. While there, I observed normal production operations.

During this inspection the following compliance issues were observed:

1. Equipment - Multiple open ended load lines with a CA date of 08/20/2023
2. Tanks & Berms - Containment liner needs maintenance with a CA date of 09/02/2023

A follow up on this site inspection needs to be conducted to ensure the compliance issues have been corrected to comply with CECMC rules.  
 This is a summary of inspection report.

**Location**

|                    |        |  |       |
|--------------------|--------|--|-------|
| <b>Lease Road:</b> |        |  |       |
| Type               | Access |  |       |
| comment:           |        |  |       |
| Corrective Action  |        |  | Date: |

Overall Good:

|                      |  |  |       |
|----------------------|--|--|-------|
| <b>Signs/Marker:</b> |  |  |       |
| Type                 | TANK LABELS/PLACARDS   |  |       |
| Comment:             |  |  |       |
| Corrective Action:   |  |  | Date: |
| Type                 | WELLHEAD   |  |       |
| Comment:             |  |  |       |
| Corrective Action:   |  |  | Date: |
| Type                 | BATTERY  |  |       |
| Comment:             |  |  |       |
| Corrective Action:   |  |  | Date: |
| Type                 | OTHER  |  |       |
| Comment:             | Separator units include attached storage tanks. The sight glass located on the side of the units indicates the storage tanks are full of an unknown fluid. No form of labeling or markers are present to identify a potential hazard or the contents of the storage tanks. |  |       |
| Corrective Action:   |  |  | Date: |

|                                  |                  |  |             |
|----------------------------------|------------------|--|-------------|
| <b>Emergency Contact Number:</b> |                  |  |             |
| Comment:                         | 911/970-285-2615 |  |             |
| Corrective Action:               |                  |  | Date: _____ |

Overall Good:

|                |      |        |  |
|----------------|------|--------|--|
| <b>Spills:</b> |      |        |  |
| Type           | Area | Volume |  |

In Containment: No \_\_\_\_\_

Comment: \_\_\_\_\_

Multiple Spills and Releases?

|                                   |                  |  |                 |
|-----------------------------------|------------------|--|-----------------|
| <b>Equipment:</b>                 |                  |  | corrective date |
| Type: Horizontal Heated Separator | # 3              |  |                 |
| Comment:                          |                  |  |                 |
| Corrective Action:                |                  |  | Date:           |
| Type: Gas Meter Run               | # 1              |  |                 |
| Comment:                          | Summit Midstream |  |                 |
| Corrective Action:                |                  |  | Date:           |
| Type: Gas Meter Run               | # 3              |  |                 |
| Comment:                          |                  |  |                 |
| Corrective Action:                |                  |  | Date:           |

|                       |   |  |                  |
|-----------------------|---|--|------------------|
| Type: Bird Protectors | # 3   |  |                  |
| Comment:              |   |  |                  |
| Corrective Action:    |   |  | Date:            |
| Type: Other           | # 2   |  |                  |
| Comment:              | Open ended load lines   |  |                  |
| Corrective Action:    | All load lines will be capped or plugged  |  | Date: 08/20/2023 |
| Type: Plunger Lift    | # 3   |  |                  |
| Comment:              | All wells on plunger lift   |  |                  |
| Corrective Action:    |   |  | Date:            |
| Type: Bradenhead      | # 3   |  |                  |
| Comment:              | Pressure transducers located on all bradenhead. All bradenhead valves are accessible. |  |                  |
| Corrective Action:    |   |  | Date:            |

**Tanks and Berms:**

| Contents           | #                       | Capacity | Type      | Tank ID | SE GPS |
|--------------------|-------------------------|----------|-----------|---------|--------|
| METHANOL           | 1                       | <50 BBLs | STEEL AST |         |        |
| Comment:           | Centralized containment |          |           |         |        |
| Corrective Action: |                         |          |           |         | Date:  |

Paint

|                  |          |  |
|------------------|----------|--|
| Condition        | Adequate |  |
| Other (Content)  |          |  |
| Other (Capacity) | 500 gal  |  |
| Other (Type)     |          |  |

Berms

| Type               | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|--------------------|----------|---------------------|---------------------|-------------|
| Metal              |          |                     |                     |             |
| Comment:           |          |                     |                     |             |
| Corrective Action: |          |                     |                     | Date:       |

| Contents           | #                       | Capacity | Type      | Tank ID | SE GPS |
|--------------------|-------------------------|----------|-----------|---------|--------|
| CONDENSATE         | 2                       | 300 BBLs | STEEL AST |         |        |
| Comment:           | Centralized containment |          |           |         |        |
| Corrective Action: |                         |          |           |         | Date:  |

Paint

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

Berms

| Type     | Capacity  | Permeability (Wall) | Permeability (Base) | Maintenance |
|----------|---|---------------------|---------------------|-------------|
| Metal    | Inadequate  | Walls Insufficient  | Base Sufficient     | Inadequate  |
| Comment: | Multiple holes in secondary containment liner/liner needs maintenance |                     |                     |             |

|                    |  |       |            |
|--------------------|--|-------|------------|
| Corrective Action: | The liner will be sufficiently impervious so that any discharge from a primary containment system will not escape containment before cleanup occurs. | Date: | 09/02/2023 |
|--------------------|--|-------|------------|

**Venting:**

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

**Flaring:**

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

| Inspected Facilities       |  |                              |   |
|----------------------------|--|------------------------------|---|
| Facility ID: <u>256551</u> | Type: <u>WELL</u>                      | API Number: <u>045-07470</u> | Status: <u>PR</u> Insp. Status: <u>PR</u> |
| <b>Producing Well</b>      |  |                              |   |
| Comment:                   | <u>Producing, well on plunger lift</u> |                              |   |
| Corrective Action:         |  | Date:                        |   |
| Facility ID: <u>256552</u> | Type: <u>WELL</u>                      | API Number: <u>045-07472</u> | Status: <u>PR</u> Insp. Status: <u>PR</u> |
| <b>Producing Well</b>      |  |                              |   |
| Comment:                   | <u>Producing, well on plunger lift</u> |                              |   |
| Corrective Action:         |  | Date:                        |   |
| Facility ID: <u>256553</u> | Type: <u>WELL</u>                      | API Number: <u>045-07471</u> | Status: <u>PR</u> Insp. Status: <u>PR</u> |
| <b>Producing Well</b>      |  |                              |   |
| Comment:                   | <u>Producing, well on plunger lift</u> |                              |   |
| Corrective Action:         |  | Date:                        |   |

**Reclamation - Storm Water - Pit**

**Storm Water:**

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment                             |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|-------------------------------------|
|                  |                 | Gravel                  |                       |               |                          | Sparse                              |
|                  |                 | Check Dams              |                       |               |                          |                                     |
|                  |                 | Compaction              |                       |               |                          | Light compaction in some sections   |
|                  |                 | Ditches                 |                       |               |                          |                                     |
| Compaction       |                 |                         |                       |               |                          | Light compaction on majority of pad |
|                  |                 | Culverts                |                       |               |                          |                                     |
| Gravel           |                 |                         |                       |               |                          | Sparse gravel on majority of pad    |
|                  |                 | Waddles                 |                       |               |                          |                                     |

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       |
|---|----------|------------|
| <span style="color: blue;">Please refer to Equipment &amp; Tanks &amp; Berms for observed compliance issues.</span> | smelserw | 08/13/2023 |

**Attached Documents**

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

| Document Num | Description                               | URL   |
|--------------|---|---|
| 708901339    | Inspection 708901338 photo log            | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6217044">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6217044</a> |
| 708901340    | Inspection 708901338 Stormwater photo log | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6217045">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6217045</a> |