

**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:

08/17/2023

Submitted Date:

08/19/2023

Document Number:

708901398

FIELD INSPECTION FORMLoc ID 334851 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:**

27 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	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
211088	WELL	PR	10/19/1994	GW	045-06846	BENZEL 1-12	PR
270186	WELL	PR	05/20/2004	GW	045-09489	BENZEL 1-12A (L1)	PR
271415	WELL	PR	05/21/2004	GW	045-09878	BENZEL 2-9D (L1B)	PR
271416	WELL	PR	05/20/2004	GW	045-09879	BENZEL 1-13B (L1B)	PR

General Comment:**CECMC Inspection Report Summary**

On 08/17/2023 at approximately 11:12 hours, I, Compliance Specialist, Wayne Smelser

Conducted an on-site inspection at CAERUS PICEANCE LLC L1B Pad.

Location # 334851 in Garfield County Colorado.

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

Location is approximately 312 yards from Dry Creek.

While there, I observed normal production operations.

During this inspection the following compliance issues were observed:

1. Stormwater - Failure to maintain chemical BMP with a CA date of 08/24/2023
2. Equipment - Flowline heating insulation open ended with a CA date of 08/26/2023

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**Lease Road:**

Type	Access		
comment:			
Corrective Action:		Date:	

Overall Good: ☐**Signs/Marker:**

Type	CONTAINERS		
Comment:	Chemical tank		
Corrective Action:		Date:	
Type	TANK LABELS/PLACARDS		
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:	
Type	WELLHEAD		
Comment:			
Corrective Action:		Date:	

Emergency Contact Number:

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

Good Housekeeping:

Type	DEBRIS		
Comment:	Debris - please refer to photo log		
Corrective Action:		Date:	
Type	WEEDS		
Comment:	Small amount of weeds in secondary containment		
Corrective Action:		Date:	

Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

Comment: ☐ Multiple Spills and Releases?

Equipment:			corrective date
Type: Bradenhead	# 4		
Comment:	Pressure transducers located on all bradenhead. All bradenhead valves are accessible.		
Corrective Action:		Date:	
Type: Gas Meter Run	# 1		
Comment:	Summit Midstream		
Corrective Action:		Date:	
Type: Bird Protectors	# 1		
Comment:			
Corrective Action:		Date:	
Type: Gas Meter Run	# 4		
Comment:			
Corrective Action:		Date:	
Type: Vertical Separator	# 4		
Comment:			
Corrective Action:		Date:	
Type: Other	# 2		
Comment:	Flowline heating insulation open ended		
Corrective Action:	Operators will prevent & minimize adverse impacts to wildlife resources.		Date: 08/26/2023
Type: Plunger Lift	# 4		
Comment:	All wells on plunger lift		
Corrective Action:		Date:	
Type: Deadman # & Marked	# 1		
Comment:	Marked		
Corrective Action:		Date:	
Type: Ancillary equipment	# 1		
Comment:	Chemical tank		
Corrective Action:		Date:	

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
CONDENSATE	1	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
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Inspector Name: Smelser, Wayne

Metal	Adequate	Walls Sufficient			
Comment:	Unlined containment				
Corrective Action:					Date:
Contents	#	Capacity	Type	Tank ID	SE GPS
METHANOL	1	1000 GAL	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	Adequate	Walls Sufficient		
Comment:	Unlined containment			
Corrective Action:				Date:

Venting:

Yes/No	NO		
Comment:			
Corrective Action:			Date:

Flaring:

Type			
Comment:			
Corrective Action:			Date:

Inspected Facilities									
Facility ID:	211088	Type:	WELL	API Number:	045-06846	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift								
Corrective Action:						Date:			
Facility ID:	270186	Type:	WELL	API Number:	045-09489	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift								
Corrective Action:						Date:			
Facility ID:	271415	Type:	WELL	API Number:	045-09878	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift								
Corrective Action:						Date:			
Facility ID:	271416	Type:	WELL	API Number:	045-09879	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift								
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
				Material Handling And Spill Prevention	Fail	Failure to maintain chemical BMP
		Ditches				
Compaction						Light compaction
		Compaction				
Berms						
Ditches						
		Retention Ponds				
		Gravel				Sparse
		Other				Mag chloride on some sections of lease road
		Culverts				
Gravel						Sparse

Comment: 1. Failure to maintain chemical BMP/chemical containment approximately 3/8 full of fluid.
Small amount of erosion developing on slope behind production separators.

Corrective Action: Operators shall implement BMPs in accordance with good engineering practices, including measures such as: Materials handling and spill prevention procedures and practices implemented for material handling and spill prevention of materials used, stored, or disposed of that could result in discharges causing pollution of surface waters.

Date: 08/24/2023

Pits: ☒ NO SURFACE INDICATION OF PIT

COGCC Comments

Comment	User	Date
Please refer to Equipment & Stormwater for observed compliance issues.	smelserw	08/19/2023

Attached Documents

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

Document Num	Description	URL
708901399	Inspection 708901398 photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6225286
708901400	Inspection 708901398 Stormwater photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6225287