

**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:

08/21/2023

Submitted Date:

08/30/2023

Document Number:

708901438

FIELD INSPECTION FORM

Loc ID 415673 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:**

38 Number of Comments

5 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
Toews, Wesley		wtoews@blm.gov	
Ramsey, Scott		scott.ramsey@state.co.us	
, Caerus		COGCC.inspections@caerus oilandgas.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
415659	WELL	PR	07/23/2011	GW	045-19129	SGV FEDERAL 8-11B (8D)	PR
415665	WELL	SI	06/01/2023	GW	045-19130	SGV FEDERAL 7-41B (8D)	SI
415669	WELL	PR	08/01/2020	GW	045-19131	SGV FEDERAL 8-12B (8D)	PR
415672	WELL	PR	09/01/2020	GW	045-19132	SGV FEDERAL 8-11C (8D)	PR
415677	WELL	PR	11/27/2011	GW	045-19133	SGV FEDERAL 8-11A (8D)	PR
415681	WELL	PR	09/01/2020	GW	045-19134	SGV FEDERAL 8-11D (8D)	PR
415683	WELL	PR	09/01/2022	GW	045-19135	SGV FEDERAL 8-12A (8D)	PR
415687	WELL	PR	08/01/2020	GW	045-19136	SGV FEDERAL 6-44D (8D)	PR
415696	WELL	SI	08/01/2022	GW	045-19138	SGV FEDERAL 7-41A (8D)	SI
415701	WELL	PR	06/01/2022	GW	045-19141	SGV FEDERAL 7-41C (8D)	PR
416484	WELL	PR	11/01/2020	GW	045-19280	SGV FEDERAL 6-44C (8D)	PR

General Comment:

CECMC Inspection Report Summary

On 08/21/2023 at approximately 08:38 hours, I, Compliance Specialist, Wayne Smelser

Conducted an on-site inspection at CAERUS PICEANCE LLC SGV FEDERAL 8D Pad.

Location # 415673 in Garfield County Colorado.

Location is approximately 86 yards from Pete & Bill creek.

Location is within High Priority/Black Bear/NSO Habitat areas.

While there, I observed normal production operations.

During this inspection the following compliance issues were observed:

1. Equipment - Open ended load line with a CA date of 09/14/2023
2. Equipment - Open ended piping/wildlife hazard with a CA date of 09/14/2023
3. Housekeeping - Wildlife netting/BMP's need maintenance with a CA date of 09/14/2023
4. Signs/Marker - Multiple tanks/labels missing required information with a CA date of 10/29/2023
5. Tanks & Berms - Containment liner needs maintenance with a CA date of 10/09/2023

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.

Advised by supervisor Shawn Kellerby not to issue Stormwater corrective actions at this time due to recent spring creek area fire. Also advised to give operator extra time on all other observed compliance issues & corrective actions due to the recent fire.

Dual lease, shared facilities with FEDERAL SOUTH PARACHUTE 22-8, location # 324344

At approximately 09:15 hours as I was finishing my inspection & I observed smoke coming from an area near the FEDERAL 8C Pad. I left location & started driving out to get cell service & notify Caerus. At approximately 09:30 I ran into Corey Grahamn a pumper for Caerus & informed him of what I had seen. He went to investigate & later called the fire department to come look at the area the smoke was coming from. At approximately 09:38 I called & informed supervisor Shaun Kellerby of the situation & then at approximately 09:50 I called the Caerus operations control center & spoke with Wayne McDowell & informed him as well.

Location					
Lease Road:					
Type	Access				
comment:					
Corrective Action	L				Date:
Overall Good: <input type="checkbox"/>					
Signs/Marker:					
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	TANK LABELS/PLACARDS				
Comment:	Tanks/Labels missing required information				
Corrective Action:	All Tanks with a capacity of 10 Barrels or greater will be labeled or posted with the following information: A. Name of Operator; B. Operator's emergency contact telephone number; C. Tank capacity; D. Tank contents; and E. NFPA label or equivalent globally harmonized label.				Date: 10/29/2023
Type	BATTERY				
Comment:					
Corrective Action:					Date:
Type	CONTAINERS				
Comment:	Chemical tanks				
Corrective Action:					Date:
Type	WELLHEAD				
Comment:					
Corrective Action:					Date:
Emergency Contact Number:					
Comment:	911/970-285-2615				
Corrective Action:					Date: _____
Good Housekeeping:					
Type	OTHER				
Comment:	Wildlife netting/BMP's for chemical tank need maintenance				
Corrective Action:	Operators will prevent & minimize adverse impacts to wildlife resources.				Date: 09/14/2023
Type	DEBRIS				
Comment:	Debris - please refer to photo log				
Corrective Action:					Date:
Overall Good: <input type="checkbox"/>					
Spills:					
Type	Area	Volume			

In Containment: No

Comment: ☐ Multiple Spills and Releases?

Fencing/:			
Type	SEPARATOR		
Comment:	Chain link fence & bollards		
Corrective Action:		Date:	
Type	TANK BATTERY		
Comment:	Chain link fence		
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:	Chain link fence		
Corrective Action:		Date:	
Type	OTHER		
Comment:	Chemical tanks - chain link fence		
Corrective Action:		Date:	
Equipment:			corrective date
Type: Other	# 1		
Comment:	Open ended piping		
Corrective Action:	Operators will prevent & minimize adverse impacts to wildlife resources.		Date: 09/14/2023
Type: Ancillary equipment	# 2		
Comment:	Chemical tanks		
Corrective Action:		Date:	
Type: Bird Protectors	# 6		
Comment:			
Corrective Action:		Date:	
Type: Plunger Lift	# 12		
Comment:	All wells on plunger lift		
Corrective Action:		Date:	
Type: Gas Meter Run	# 12		
Comment:			
Corrective Action:		Date:	
Type: Bradenhead	# 12		
Comment:	Taylor plugs located on all bradenhead. All bradenhead valves are accessible.		
Corrective Action:		Date:	
Type: Horizontal Heated Separator	# 12		
Comment:			
Corrective Action:		Date:	
Type: Other	# 1		
Comment:	Open ended load line		

Corrective Action:	All load lines will be capped or plugged	Date:	09/14/2023
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Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS	
CONDENSATE	5	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:	Secondary containment 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: 10/09/2023

Venting:

Yes/No	NO		
Comment:			
Corrective Action:		Date:	

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Inspected Facilities									
Facility ID:	415659	Type:	WELL	API Number:	045-19129	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift								
Corrective Action:						Date:			
Facility ID:	415665	Type:	WELL	API Number:	045-19130	Status:	SI	Insp. Status:	SI
Producing Well									
Comment:	Producing, well on plunger lift								
Corrective Action:						Date:			
Facility ID:	415669	Type:	WELL	API Number:	045-19131	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift								
Corrective Action:						Date:			
Facility ID:	415672	Type:	WELL	API Number:	045-19132	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift								
Corrective Action:						Date:			
Facility ID:	415677	Type:	WELL	API Number:	045-19133	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift								
Corrective Action:						Date:			
Facility ID:	415681	Type:	WELL	API Number:	045-19134	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift								
Corrective Action:						Date:			
Facility ID:	415683	Type:	WELL	API Number:	045-19135	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift								
Corrective Action:						Date:			
Facility ID:	415687	Type:	WELL	API Number:	045-19136	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift								
Corrective Action:						Date:			

Facility ID:	415696	Type:	WELL	API Number:	045-19138	Status:	SI	Insp. Status:	SI
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Idle WellPurpose: ☒ Shut In ☐ Temporarily Abandoned Reminder: _____

Comment: Shut In

Last produced July 2022

Corrective Action: _____

Date: _____

Facility ID:	415701	Type:	WELL	API Number:	045-19141	Status:	PR	Insp. Status:	PR
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Producing Well

Comment: Producing, well on plunger lift

Corrective Action: _____

Date: _____

Facility ID:	416484	Type:	WELL	API Number:	045-19280	Status:	PR	Insp. Status:	PR
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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
Other	Fail					Tunnel erosion/sink hole
Retention Ponds						
		Gravel				Sparse
Other	Fail					Lack of stabilization on cut slope
Gravel						Sparse
		Ditches				
Compaction	Fail					Lack of stabilization/compaction
Culverts						
				Material Handling And Spill Prevention		Chemical tank containments
		Sediment Traps				
Rip Rap						
Sediment Traps						
		Rip Rap				
		Culverts				
		Compaction				
Other	Fail					Erosion & transport of sediment on slope

Comment: 1. Erosion & transport of sediment on slope
 2. Lack of stabilization/compaction on location
 3. Lack of stabilization on cut slope
 4. Tunnel erosion/sink hole

Corrective Action:

Date: _____

Pits: ☒ NO SURFACE INDICATION OF PIT
COGCC Comments

Comment	User	Date
Please refer to Signs/Marker, Housekeeping, Equipment & Tanks & Berms for observed compliance issues.	smelserw	08/23/2023
Advised by supervisor Shawn Kellerby not to issue Stormwater corrective actions at this time due to recent spring creek area fire. Also advised to give operator extra time on all other observed compliance issues & corrective actions due to the recent fire.		
Dual lease, shared facilities with FEDERAL SOUTH PARACHUTE 22-8, location # 324344		

Attached Documents

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

Document Num	Description	URL
708901439	Inspection 708901438 Stormwater photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6237842
708901440	Inspection 708901438 photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6237843