

**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:

09/01/2023

Submitted Date:

09/04/2023

Document Number:

708901534

FIELD INSPECTION FORMLoc ID 324286 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:**

31 Number of Comments

4 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	
, Caerus		COGCC.inspections@caerus oilandgas.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
274049	WELL	PR	12/03/2012	GW	045-10319	SOURS 22-11 (N22W)	PR
427161	WELL	SI	06/01/2023	GW	045-21269	MCU 22-13B (N22W)	SI
427171	WELL	SI	06/01/2023	GW	045-21274	MCU 22-13A (N22W)	SI
427174	WELL	SI	06/01/2023	GW	045-21275	MCU 22-13C (N22W)	SI
428268	WELL	PR	11/14/2012	GW	045-21453	MCU FEE 22-12C (N22W)	PR
428280	WELL	PR	11/27/2012	GW	045-21454	MCU FEE 22-12A (N22W)	PR
428290	WELL	PR	11/26/2012	GW	045-21455	MCU FEE 22-12B (N22W)	PR
428293	WELL	PR	09/01/2021	GW	045-21456	MCU FEE 22-11A (N22W)	PR

General Comment:

CECMC Inspection Report Summary

On 09/01/2023 at approximately 10:41 hours, I, Compliance Specialist, Wayne Smelser

Conducted an on-site inspection at CAERUS PICEANCE LLC N22W Pad.

Location # 324286 in Garfield County Colorado.

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

Location is approximately 273 yards from West Mamm Creek.

Location is within close proximity to Rule 411.b Generalized External Buffer.

While there, I observed normal production operations.

During this inspection the following compliance issues were observed:

1. Tanks & Berms - Hole in secondary containment liner/liner needs maintenance with a CA date of 09/24/2023
2. Equipment - Flowline heating insulation open ended with a CA date of 09/11/2023
3. Stormwater - Erosion & transport of sediment off location/insufficient BMP's with a CA date of 09/19/2023
4. Equipment - Open ended load line with a CA date of 09/11/2023

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	L			Date:
Overall Good: <input type="checkbox"/>				
Signs/Marker:				
Type	CONTAINERS			
Comment:	Chemical tank			
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	TANK LABELS/PLACARDS			
Comment:				
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:
Overall Good: <input type="checkbox"/>				
Spills:				
Type	Area	Volume		
In Containment: No _____				
Comment: _____				
<input type="checkbox"/> Multiple Spills and Releases?				
Equipment:				
Type: Bird Protectors	# 4			corrective date
Comment:				

Corrective Action:		Date:	
Type: Bradenhead	# 8		
Comment:	Pressure transducers located on all bradenhead. All bradenhead valves are accessible.		
Corrective Action:		Date:	
Type: Horizontal Heated Separator	# 1		
Comment:			
Corrective Action:		Date:	
Type: Other	# 1		
Comment:	Open ended load line		
Corrective Action:	All load lines will be capped or plugged	Date:	09/11/2023
Type: Other	# 3		
Comment:	Flowline heating insulation open ended		
Corrective Action:	Operators will prevent & minimize adverse impacts to wildlife resources.	Date:	09/11/2023
Type: Horizontal Heated Separator	# 7		
Comment:			
Corrective Action:		Date:	
Type: Plunger Lift	# 8		
Comment:	All wells on plunger lift		
Corrective Action:		Date:	
Type: Gas Meter Run	# 8		
Comment:			
Corrective Action:		Date:	
Type: Emission Control Device	# 1		
Comment:			
Corrective Action:		Date:	
Type: Ancillary equipment	# 1		
Comment:	Chemical tank		
Corrective Action:		Date:	
Type: Other	# 1		
Comment:	Bear proof trash container		
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)						
<u>Berms</u>						
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance		
Comment:						
Corrective Action:				Date:		
Contents	#	Capacity	Type	Tank ID	SE GPS	
METHANOL	1	1000 GAL	STEEL AST		,	
Comment:				Centralized containment		
Corrective Action:				Date:		
<u>Paint</u>						
Condition	Adequate					
Other (Content)						
Other (Capacity)						
Other (Type)						
<u>Berms</u>						
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance		
Comment:						
Corrective Action:				Date:		
Contents	#	Capacity	Type	Tank ID	SE GPS	
CONDENSATE	4	500 BBLs	STEEL AST		,	
Comment:				Centralized containment		
Corrective Action:				Date:		
<u>Paint</u>						
Condition	Adequate					
Other (Content)						
Other (Capacity)						
Other (Type)						
<u>Berms</u>						
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance		
Metal	Inadequate	Walls Insufficient	Base Sufficient	Inadequate		
Comment:				Hole in containment liner/liner needs maintenance. Liner is also not attached to containment ring in multiple spots.		
Corrective Action:				The liner will be sufficiently impervious so that any discharge from a primary containment system will not escape containment before cleanup occurs. The liner will be attached to secondary containment and any equipment penetrating the liner will have a sealed connection.		Date: 09/24/2023
<u>Venting:</u>						
Yes/No	NO					
Comment:						
Corrective Action:				Date:		

Flaring:			
Type			
Comment:			
Corrective Action:		Date:	

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Inspected Facilities				
Facility ID: <u>274049</u>	Type: <u>WELL</u>	API Number: <u>045-10319</u>	Status: <u>PR</u>	Insp. Status: <u>PR</u>
<u>Producing Well</u>				
Comment: <u>Producing, well on plunger lift</u>				
Corrective Action: <u></u>		Date: <u></u>		
Facility ID: <u>427161</u>	Type: <u>WELL</u>	API Number: <u>045-21269</u>	Status: <u>SI</u>	Insp. Status: <u>SI</u>
<u>Producing Well</u>				
Comment: <u>Producing, well on plunger lift</u>				
Corrective Action: <u></u>		Date: <u></u>		
Facility ID: <u>427171</u>	Type: <u>WELL</u>	API Number: <u>045-21274</u>	Status: <u>SI</u>	Insp. Status: <u>SI</u>
<u>Producing Well</u>				
Comment: <u>Producing, well on plunger lift</u>				
Corrective Action: <u></u>		Date: <u></u>		
Facility ID: <u>427174</u>	Type: <u>WELL</u>	API Number: <u>045-21275</u>	Status: <u>SI</u>	Insp. Status: <u>SI</u>
<u>Producing Well</u>				
Comment: <u>Producing, well on plunger lift</u>				
Corrective Action: <u></u>		Date: <u></u>		
Facility ID: <u>428268</u>	Type: <u>WELL</u>	API Number: <u>045-21453</u>	Status: <u>PR</u>	Insp. Status: <u>PR</u>
<u>Producing Well</u>				
Comment: <u>Producing, well on plunger lift</u>				
Corrective Action: <u></u>		Date: <u></u>		
Facility ID: <u>428280</u>	Type: <u>WELL</u>	API Number: <u>045-21454</u>	Status: <u>PR</u>	Insp. Status: <u>PR</u>
<u>Idle Well</u>				
Purpose: <input checked="" type="checkbox"/> Shut In <input type="checkbox"/> Temporarily Abandoned Reminder: <u></u>				
Comment: <u>Shut In</u>				
Corrective Action: <u></u>		Date: <u></u>		
Facility ID: <u>428290</u>	Type: <u>WELL</u>	API Number: <u>045-21455</u>	Status: <u>PR</u>	Insp. Status: <u>PR</u>
<u>Producing Well</u>				
Comment: <u>Producing, well on plunger lift</u>				
Corrective Action: <u></u>		Date: <u></u>		
Facility ID: <u>428293</u>	Type: <u>WELL</u>	API Number: <u>045-21456</u>	Status: <u>PR</u>	Insp. Status: <u>PR</u>

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					Erosion & transport of sediment off location
		Culverts				
		Ditches				
		Gravel				Sparse
		Compaction				
Ditches						
Rip Rap						
Gravel						Sparse
Retention Ponds						
Compaction						Light compaction
Berms						
				Material Handling And Spill Prevention		Chemical tank containment
		Other				Mag chloride

Comment: 1. Erosion & transport of sediment off location/insufficient BMP's (NW corner of location)

Location showing some signs of lack of stabilization/compaction near tank battery.

Corrective Action: Oil and gas operators shall implement and maintain Best Management Practices (BMPs) at all oil and gas locations to control stormwater runoff in a manner that minimizes erosion, transport of sediment offsite, and site degradation. BMPs shall be maintained until the facility is abandoned and final reclamation is achieved.

Date: 09/19/2023

Pits: ☒ NO SURFACE INDICATION OF PIT**COGCC Comments**

Comment	User	Date
Please refer to Equipment, Tanks & Berms & Stormwater for observed compliance issues.	smelserw	09/04/2023

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

Document Num	Description	URL
708901535	Inspection 708901534 photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6240804
708901536	Inspection 708901534 Stormwater photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6240805