

**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:

12/07/2023

Submitted Date:

12/09/2023

Document Number:

708902452**FIELD INSPECTION FORM**Loc ID 324300 Inspector Name: Smelser, Wayne On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**OGCC Operator Number: 10456Name of Operator: CAERUS PICEANCE LLCAddress: 1001 17TH STREET #1600City: DENVER State: CO Zip: 80202**Status Summary:**☐ THIS IS A FOLLOW UP INSPECTION☒ FOLLOW UP INSPECTION REQUIRED☐ NO FOLLOW UP INSPECTION REQUIRED**Findings:**21 Number of Comments2 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
277322	WELL	SI	08/01/2023	GW	045-10665	BATTLEMENT MESA 36-23	SI

General Comment:**CECMC Inspection Report Summary**

On 12/07/2023 at approximately 11:18 hours, I, Compliance Specialist, Wayne Smelser
Conducted an on-site inspection at CAERUS PICEANCE LLC Battlement Mesa 36G-795 pad.
Location # 324300 in Garfield County Colorado.
Location is within High Priority/Density/Black Bear/NSO Habitat areas.
Location is approximately 228 yards from Battlement Creek.
While there, I observed normal production operations.

During this inspection the following compliance issues were observed:

1. Signs/Marker - Methanol tanks improperly labeled/lack required information with a CA date of 01/08/2024
2. Tanks & Berms - Methanol tank lacks secondary containment with a CA date of 12/29/2023

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	BATTERY		
Comment:			
Corrective Action:		Date:	
Type	TANK LABELS/PLACARDS		
Comment:	Methanol tanks improperly labeled/lack 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:	01/08/2024
Type	WELLHEAD		
Comment:			
Corrective Action:		Date:	
Type	OTHER		
Comment:	Separator unit includes attached storage tank. The sight glass located on the side of the unit indicates the storage tank is full of an unknown fluid. No form of labeling or markers are present to identify a potential hazard or the contents of the storage tank.		
Corrective Action:		Date:	
Emergency Contact Number:			
Comment:	911/866-580-9382		
Corrective Action:			Date: _____
Overall Good: <input type="checkbox"/>			
Spills:			
Type	Area	Volume	
In Containment: No _____			
Comment: _____			
<input type="checkbox"/> Multiple Spills and Releases?			
Fencing/:			
Type	SEPARATOR		
Comment:	Hog panels & cattle panel		
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:	Hog panels & cattle panel		
Corrective Action:		Date:	

Type	TANK BATTERY		
Comment:	Hog panels		
Corrective Action:		Date:	

Equipment:			corrective date
Type: Plunger Lift	# 1		
Comment:	Well on plunger lift		
Corrective Action:		Date:	
Type: Horizontal Heated Separator	# 1		
Comment:			
Corrective Action:		Date:	
Type: Deadman # & Marked	# 1		
Comment:	Marked		
Corrective Action:		Date:	
Type: Gas Meter Run	# 1		
Comment:			
Corrective Action:		Date:	
Type: Bird Protectors	# 1		
Comment:			
Corrective Action:		Date:	
Type: Bradenhead	# 1		
Comment:	No form of pressure monitoring equipment located on bradenhead, bradenhead valve is accessible.		
Corrective Action:		Date:	

Tanks and Berms:

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

Paint

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

Berms

Type	Capacity		Permeability (Wall)		Permeability (Base)		Maintenance			
Other										
Comment:	Snow in containment									
Corrective Action:								Date:		
Contents		#	Capacity	Type		Tank ID	SE GPS			
CONDENSATE		1	400 BBLs	STEEL AST			,			

Comment:	Separate containment	
Corrective Action:		Date:

Paint

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

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal				
Comment:	Snow in containment			
Corrective Action:				Date:

Contents	#	Capacity	Type	Tank ID	SE GPS
METHANOL	1	<50 BBLS	STEEL AST		,

Comment:	No secondary containment	
Corrective Action:		Date:

Paint

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

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Comment:	Methanol tank lacks secondary containment (tank near separator)			
Corrective Action:	Operators will prevent adverse environmental impacts on any air, water, soil, or biological resource resulting from Oil and Gas Operations and will protect and minimize adverse impacts to public health, safety, welfare, the environment, and wildlife resources.			Date: 12/29/2023

Venting:

Yes/No	NO	
Comment:		
Corrective Action:		Date:

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Inspected Facilities									
Facility ID:	277322	Type:	WELL	API Number:	045-10665	Status:	SI	Insp. Status:	SI
Idle Well									
Purpose: <input checked="" type="checkbox"/> Shut In <input type="checkbox"/> Temporarily Abandoned Reminder: _____									
Comment: <div>Shut In Last produced August 2023</div>									
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
		Compaction				Light compaction in some sections
		Culverts				
		Gravel				Sparse to none
Compaction						
		Ditches				

Comment: Limited Stormwater inspection due to snow.

Corrective Action:

Date: _____

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

Comment	User	Date
<u>Please refer to Signs/Marker & Tanks & Berms for observed compliance issues.</u>	smelserw	12/09/2023

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

Document Num	Description	URL
403619997	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6351297
708902453	Inspection 708902452 Stormwater photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6351295
708902454	Inspection 708902452 photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6351296