

**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:

01/08/2024

Submitted Date:

01/08/2024

Document Number:

708902738

FIELD INSPECTION FORMLoc ID 334752 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:

28 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
Toews, Wesley		wtoews@blm.gov	
, Caerus		COGCC.inspections@caerus oilandgas.com	
Kellerby, Shaun		shaun.kellerby@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
277791	WELL	PR	07/12/2012	GW	045-10774	FEDERAL 30-3BB (PD30)	PR
277792	WELL	PR	06/01/2023	GW	045-10773	FEDERAL 30-5BB (PD30)	PR
277794	WELL	PR	01/26/2012	GW	045-10771	FEDERAL 30-5(PD30)	PR
277795	WELL	PR	01/26/2012	GW	045-10770	FEDERAL 30-3(PD30)	PR
278495	WELL	PR	02/02/2012	GW	045-10884	FEDERAL 30-4(PD30)	PR
278496	WELL	PR	08/01/2020	GW	045-10883	FEDERAL 30-4BB (PD30)	PR
412494	WELL	PR	01/26/2012	GW	045-18462	FEDERAL 19-14BB (PD30)	PR

General Comment:**CECMC Inspection Report Summary**

On 01/08/2024 at approximately 11:48 hours, I, Compliance Specialist, Wayne Smelser
Conducted an on-site inspection at CAERUS PICEANCE LLC FEDERAL 30-3BB (PD30) Pad.
Location # 334752 in Garfield County Colorado.
Location is within High Priority/Density/Black Bear Habitat areas.
While there, I observed normal production operations.

During this inspection the following compliance issues were observed:

1. Signs/Marker - Chemical tank label peeling & illegible with a CA date of 02/07/2024
2. Tanks & berms - Secondary containment liner needs maintenance with a CA date of 01/28/2024

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: ☐**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	BATTERY		
Comment:			
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:			
Corrective Action:		Date:	
Type	TANK LABELS/PLACARDS		
Comment:			
Corrective Action:		Date:	
Type	OTHER		
Comment:	Sign at entrance to location		
Corrective Action:		Date:	
Type	CONTAINERS		
Comment:	Chemical tank Tank label on chemical tank is peeling off & is illegible		
Corrective Action:	Address tank labeling issue	Date:	02/07/2024

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: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

Comment:

☐ Multiple Spills and Releases?

Fencing/:			
Type	SEPARATOR		
Comment:	Jersey barriers		
Corrective Action:		Date:	
Type	LOCATION		
Comment:	Barbed wire fence		
Corrective Action:		Date:	

Equipment:				corrective date
Type: Gas Meter Run	# 7			
Comment:				
Corrective Action:			Date:	
Type: Bradenhead	# 7			
Comment:	FEDERAL 30-5BB has no form of pressure monitoring equipment located on bradenhead, bradenhead valve is accessible. Remaining 6 wells have pressure transducers located on all bradenhead. All bradenhead valves are accessible.			
Corrective Action:			Date:	
Type: Plunger Lift	# 7			
Comment:	All wells on plunger lift			
Corrective Action:			Date:	
Type: Pig Station	# 1			
Comment:				
Corrective Action:			Date:	
Type: Bird Protectors	# 2			
Comment:				
Corrective Action:			Date:	
Type: Gas Meter Run	# 1			
Comment:	Summit Midstream			
Corrective Action:			Date:	
Type: Ancillary equipment	# 1			
Comment:	Chemical tank			
Corrective Action:			Date:	
Type: Other	# 1			
Comment:	Telemetry			
Corrective Action:			Date:	
Type: Vertical Heated Separator	# 7			
Comment:				
Corrective Action:			Date:	

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS	
CONDENSATE	3	300 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		Inadequate		
Comment:		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:	01/28/2024
<u>Venting:</u>						
Yes/No	NO					
Comment:						
Corrective Action:					Date:	
<u>Flaring:</u>						
Type						
Comment:						
Corrective Action:					Date:	

Inspected FacilitiesFacility ID: 277791 Type: WELL API Number: 045-10774 Status: PR Insp. Status: PR**Producing Well**Comment: Producing, well on plunger lift

Corrective Action: _____

Date: _____

Facility ID: 277792 Type: WELL API Number: 045-10773 Status: PR Insp. Status: PR**Cement****Cement Contractor**

Contractor Name: _____

Contractor Phone: _____

Surface Casing

Cement Volume (sx): _____

Circulate to Surface: _____

Cement Fall Back: _____

Top Job, 1" Volume: _____

Intermediate Casing

Cement Volume (sxs): _____

Good Return During Job: _____

Production Casing

Cement Volume (sx): _____

Good Return During Job: _____

Plugging Operations

Depth Plugs(feet range): _____

Cement Volume (sx): _____

Good Return During Job: _____

Cement Type: _____

Comment: Please refer to document # 403638667 & document # 403638672

I arrived on location at approximately 11:48 hours, rig was not on location & there was no indication that it had been there yet. I contacted the operator via email & inquired as to the status of the plugging operations. I was informed operator had not yet been to location to perform the aforementioned plugging operations. Operator stated they were "significantly delayed due to issues on a prior well" & would send in a revised Form 42 once they had a better idea of rig up timing.

I responded to operator email & informed them that I had spoken with supervisor Shaun Kellerby on the issue & that there's no corrective action associated with it at this time. However I did say that there will be a note in my FIR about the notices, notice dates & the rig not being there yet & that in the future if this becomes a pattern then at that point we would start to issue corrective actions on it.

Corrective Action: _____

Date: _____

Idle WellPurpose: ☒ Shut In ☐ Temporarily Abandoned

Reminder: _____

Comment: Shut In

Corrective Action: _____

Date: _____

Facility ID: 277794 Type: WELL API Number: 045-10771 Status: PR Insp. Status: PR**Producing Well**Comment: Producing, well on plunger lift

Corrective Action: _____

Date: _____

Facility ID: 277795 Type: WELL API Number: 045-10770 Status: PR Insp. Status: PR

Producing Well			
Comment:	Producing, well on plunger lift		
Corrective Action:		Date:	
Facility ID:	278495	Type:	WELL
API Number:	045-10884	Status:	PR
Insp. Status:	PR		
Producing Well			
Comment:	Producing, well on plunger lift		
Corrective Action:		Date:	
Facility ID:	278496	Type:	WELL
API Number:	045-10883	Status:	PR
Insp. Status:	PR		
Producing Well			
Comment:	Producing, well on plunger lift		
Corrective Action:		Date:	
Facility ID:	412494	Type:	WELL
API Number:	045-18462	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
		Ditches				
		Culverts				
		Gravel				Sparse in sections
		Compaction				
Compaction						Large amount of light compaction
				Material Handling And Spill Prevention		Chemical tank containment

Comment: Limited Stormwater inspection due to snow.

Corrective Action:

Date:

Pits: ☒ NO SURFACE INDICATION OF PIT

COGCC Comments

Comment	User	Date
Please refer to Signs/Marker & Tanks & Berms for observed compliance issues.	smelserw	01/08/2024

Attached Documents

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

Document Num	Description	URL
708902739	Inspection 708902738 photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6385800
708902740	Inspection 708902738 Stormwater photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6385801