

**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:

01/25/2024

Submitted Date:

01/25/2024

Document Number:

708902882**FIELD INSPECTION FORM**

Loc ID 311638	Inspector Name: Smelser, Wayne	On-Site Inspection <input type="checkbox"/>	2A Doc Num: _____	Status Summary: <input type="checkbox"/> THIS IS A FOLLOW UP INSPECTION <input checked="" type="checkbox"/> FOLLOW UP INSPECTION REQUIRED <input type="checkbox"/> NO FOLLOW UP INSPECTION REQUIRED
Operator Information: OGCC Operator Number: <u>10456</u> Name of Operator: <u>CAERUS PICEANCE LLC</u> Address: <u>1001 17TH STREET #1600</u> City: <u>DENVER</u> State: <u>CO</u> Zip: <u>80202</u>				Findings: <u>43</u> Number of Comments <u>2</u> Number of Corrective Actions <input checked="" type="checkbox"/> 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@caerusoilandgas.com	
Morris, Matthew		matthew.morris@state.co.us	
Kellerby, Shaun		shaun.kellerby@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
282774	WELL	PR	12/01/2009	GW	045-11838	N. PARACHUTE MF07C-4 C04 696	PR
282776	WELL	PR	04/27/2007	GW	045-11836	N.PARACHUTE MF 13D C04 696	PR
282777	WELL	PR	04/12/2007	GW	045-11835	N. PARACHUTE MF04D CO4 696	PR
282778	WELL	PR	01/23/2006	GW	045-11834	N.PARACHUTE MF02C C04 696	PR
282779	WELL	PR	01/23/2006	GW	045-11833	N.PARACHUTE MF08C C04 696	PR
282780	WELL	PR	01/23/2006	GW	045-11832	N.PARACHUTE MF03A C04 696	PR
282781	WELL	PR	11/30/2009	GW	045-11831	N. PARACHUTE MF06C-4 C04 696	PR
282784	WELL	PR	01/23/2006	GW	045-11829	N.PARACHUTE MF08A CO4 696	PR
282785	WELL	PR	01/23/2006	GW	045-11828	N.PARACHUTE MF01C CO4 696	PR
282786	WELL	PR	07/24/2009	GW	045-11827	N. PARACHUTE MF07A-4 CO4 696	PR
284640	WELL	PR	12/01/2009	GW	045-12249	N. PARACHUTE MF06B-4 CO4 696	PR
295477	WELL	PR	03/01/2010	GW	045-15766	N. PARACHUTE MF01C-4 CO4 696	PR
295478	WELL	PR	07/14/2011	GW	045-15767	N. PARACHUTE MF13D-31 C04 69	PR

295479	WELL	PR	02/20/2010	GW	045-15768	N. PARACHUTE MF04B-3 CO4 696	PR
295480	WELL	PR	02/15/2010	GW	045-15769	N. PARACHUTE MF03C-4 CO4 696	PR
295481	WELL	PR	01/14/2010	GW	045-15770	N. PARACHUTE MF02C-4 CO4 696	PR
295482	WELL	PR	02/10/2010	GW	045-15771	N. PARACHUTE MF06A-4 CO4 696	PR
295483	WELL	PR	02/22/2010	GW	045-15772	N. PARACHUTE MF02B-4 CO4 696	PR
295487	WELL	PR	01/13/2010	GW	045-15777	N. PARACHUTE MF13C-31 CO4 69	PR

General Comment:[CECMC Inspection Report Summary](#)

On 01/25/2024 at approximately 13:52 hours, I, Compliance Specialist, Wayne Smelser

Conducted an on-site inspection at CAERUS PICEANCE LLC N. PARACHUTE MF07C-4 CO4 696 Pad.

Location # 311638 in Garfield County Colorado.

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

Location is within Rule 411b Generalized Intermediate Buffer.

Location is approximately 191 yards from Parachute Creek.

While there, I observed normal production operations.

During this inspection the following compliance issues were observed:

1. Housekeeping - Multiple holes on location/safety issue/personnel & wildlife hazards with a CA date of 01/26/2024
2. Equipment - Mechanical Condition - Open valves leaking gas on 2 wellheads with a CA date of 01/26/2024

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: <input type="checkbox"/>				
Signs/Marker:				
Type	OTHER			
Comment:	Sign on lease road			
Corrective Action:				Date:
Type	WELLHEAD			
Comment:				
Corrective Action:				Date:
Type	TANK LABELS/PLACARDS			
Comment:				
Corrective Action:				Date:
Type	OTHER			
Comment:	Blowdown tank			
Corrective Action:				Date:
Type	CONTAINERS			
Comment:	Chemical tanks			
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	OTHER			
Comment:	Multiple holes on location/safety issue/personnel & wildlife hazard At approximately 15:24 hours called Romana Cowden with Caerus & informed her of the observed compliance issue & that I was issuing a 24 hour corrective action. At approximately 17:07 hours I emailed Romana to follow up on the earlier phone conversation.			
Corrective Action:	Operators are responsible for ensuring that operations are conducted with due regard for the safety of employees, for the preservation and conservation of property, and for protecting and minimizing adverse impacts to public health, safety, welfare, the environment, and wildlife resources.			Date: 01/26/2024
Overall Good: <input type="checkbox"/>				
Spills:				
Type	Area	Volume		

In Containment: No

Comment:

☐ Multiple Spills and Releases?

Equipment:		corrective date
Type: Ancillary equipment	# 3	
Comment:	Thermoelectric generators	
Corrective Action:		Date:
Type: Other	# 2	
Comment:	<p>Open valves on wellheads leaking gas</p> <p>At approximately 14:15 hours observed valves open & leaking gas on the MF04B-3 & MF07A-4 wellheads. Drove back to entrance gate to use phone & contact Caerus, at approximately 14:23 hours spoke with Steve in gas control. Informed him of the observed compliance issues & further informed him I would drive back & wait on location for Caerus personnel to arrive & shut valves. Caerus employee arrived at approximately 14:40 hours & shut valves on wellheads. At approximately 15:24 hours called Romana Cowden with Caerus & informed her of the observed compliance issue. At approximately 17:07 hours I emailed Romana to follow up on the earlier phone conversation.</p>	
Corrective Action:	All Production Facilities, valves, pipes, fittings, and vessels will be securely fastened or sealed, inspected at regular intervals, and maintained in good mechanical condition.	Date: 01/26/2024
Type: Deadman # & Marked	# 3	
Comment:	<p>1 deadman marked & 2 deadman improperly marked</p> <p>Please refer to photo log</p>	
Corrective Action:		Date:
Type: Bradenhead	# 19	
Comment:	<p>MF13C-31, MF04B-3, MF03C-4, MF06B-4, MF07A-4, MF07C-4 & MF03A wells have no form of pressure monitoring equipment located on bradenheads, bradenhead valves are accessible.</p> <p>Remaining 12 wells have Taylor plugs located on bradenheads, bradenhead valves are accessible.</p>	
Corrective Action:		Date:
Type: Ancillary equipment	# 3	
Comment:	Chemical tanks	
Corrective Action:		Date:
Type: Gas Meter Run	# 19	
Comment:	Gas lift	
Corrective Action:		Date:
Type: Plunger Lift	# 19	
Comment:	All wells on plunger lift	
Corrective Action:		Date:
Type: Gas Meter Run	# 19	
Comment:	Sales	
Corrective Action:		Date:
Type: Other	# 1	
Comment:	Telemetry	
Corrective Action:		Date:

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS	
CONDENSATE	1	OTHER	STEEL AST		,	
Comment: Blowdown tank						
Corrective Action:					Date:	

Paint

Condition	Adequate	
Other (Content)		
Other (Capacity)	120 bbl	
Other (Type)		

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal	Adequate			
Comment: Tank containment damaged/buckling - please refer to photo log				
Corrective Action:				Date:

Venting:

Yes/No	NO		
Comment:			
Corrective Action:		Date:	

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Inspected Facilities				
Facility ID: 282774	Type: WELL	API Number: 045-11838	Status: PR	Insp. Status: PR
Idle Well				
Purpose: <input checked="" type="checkbox"/> Shut In <input type="checkbox"/> Temporarily Abandoned Reminder: _____				
Comment: Shut In				
Corrective Action: _____				Date: _____
Facility ID: 282776	Type: WELL	API Number: 045-11836	Status: PR	Insp. Status: PR
Producing Well				
Comment: Producing, well on plunger & gas lift				
Corrective Action: _____				Date: _____
Facility ID: 282777	Type: WELL	API Number: 045-11835	Status: PR	Insp. Status: PR
Producing Well				
Comment: Producing, well on plunger & gas lift				
Corrective Action: _____				Date: _____
Facility ID: 282778	Type: WELL	API Number: 045-11834	Status: PR	Insp. Status: PR
Producing Well				
Comment: Producing, well on plunger & gas lift				
Corrective Action: _____				Date: _____
Facility ID: 282779	Type: WELL	API Number: 045-11833	Status: PR	Insp. Status: PR
Producing Well				
Comment: Producing, well on plunger & gas lift				
Corrective Action: _____				Date: _____
Facility ID: 282780	Type: WELL	API Number: 045-11832	Status: PR	Insp. Status: PR
Producing Well				
Comment: Producing, well on plunger & gas lift				
Corrective Action: _____				Date: _____
Facility ID: 282781	Type: WELL	API Number: 045-11831	Status: PR	Insp. Status: PR
Producing Well				
Comment: Producing, well on plunger & gas lift				
Corrective Action: _____				Date: _____
Facility ID: 282784	Type: WELL	API Number: 045-11829	Status: PR	Insp. Status: PR

Producing Well									
Comment:	Producing, well on plunger & gas lift								
Corrective Action:			Date:						
Facility ID:	282785	Type:	WELL	API Number:	045-11828	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger & gas lift								
Corrective Action:					Date:				
Facility ID:	282786	Type:	WELL	API Number:	045-11827	Status:	PR	Insp. Status:	PR
Idle Well									
Purpose:	<input checked="" type="checkbox"/> Shut In		<input type="checkbox"/> Temporarily Abandoned		Reminder:				
Comment:	Shut In								
Corrective Action:					Date:				
Facility ID:	284640	Type:	WELL	API Number:	045-12249	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger & gas lift								
Corrective Action:					Date:				
Facility ID:	295477	Type:	WELL	API Number:	045-15766	Status:	PR	Insp. Status:	PR
Idle Well									
Purpose:	<input checked="" type="checkbox"/> Shut In		<input type="checkbox"/> Temporarily Abandoned		Reminder:				
Comment:	Shut In								
Corrective Action:					Date:				
Facility ID:	295478	Type:	WELL	API Number:	045-15767	Status:	PR	Insp. Status:	PR
Idle Well									
Purpose:	<input checked="" type="checkbox"/> Shut In		<input type="checkbox"/> Temporarily Abandoned		Reminder:				
Comment:	Shut In								
Corrective Action:					Date:				
Facility ID:	295479	Type:	WELL	API Number:	045-15768	Status:	PR	Insp. Status:	PR
Idle Well									
Purpose:	<input checked="" type="checkbox"/> Shut In		<input type="checkbox"/> Temporarily Abandoned		Reminder:				
Comment:	Shut In								
Corrective Action:					Date:				
Facility ID:	295480	Type:	WELL	API Number:	045-15769	Status:	PR	Insp. Status:	PR

Producing Well									
Comment:	Producing, well on plunger & gas lift								
Corrective Action:			Date:						
Facility ID:	295481	Type:	WELL	API Number:	045-15770	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger & gas lift								
Corrective Action:					Date:				
Facility ID:	295482	Type:	WELL	API Number:	045-15771	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger & gas lift								
Corrective Action:					Date:				
Facility ID:	295483	Type:	WELL	API Number:	045-15772	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger & gas lift								
Corrective Action:					Date:				
Facility ID:	295487	Type:	WELL	API Number:	045-15777	Status:	PR	Insp. Status:	PR
Idle Well									
Purpose:	<input checked="" type="checkbox"/> Shut In		<input type="checkbox"/> Temporarily Abandoned		Reminder:				
Comment:	Shut In								
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		Chemical tank containments
		Berms				
Berms						
		Gravel				Sparse to none
Gravel						Sparse to none in some areas
		Compaction				Light compaction in sections
Compaction						

Comment: Places with sparse to no gravel & light compaction are present on lease road. Sparse to no gravel and light compaction could lead to future stabilization and tracking issues.

Limited Stormwater inspection due to snow.

Corrective Action:

Date: _____

Pits: ☒ NO SURFACE INDICATION OF PIT

COGCC Comments

Comment	User	Date
Please refer to Housekeeping & Equipment for observed compliance issues.	smelserw	01/25/2024

Attached Documents

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

Document Num	Description	URL
403667229	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6407355
708902883	Inspection 708902882 video 1	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6407351
708902884	Inspection 708902882 video 2	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6407352
708902885	Inspection 708902882 Stormwater photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6407353
708902886	Inspection 708902882 Photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6407354