

**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:

04/24/2024

Submitted Date:

04/24/2024

Document Number:

708903614**FIELD INSPECTION FORM**Loc ID: 427395 Inspector Name: Smelser, Wayne On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**

ECMC 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

3 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	
Toews, Wesley		wtoews@blm.gov	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
427396	WELL	PR	11/14/2013	GW	045-21286	FEDERAL 21-15D (PJ21)	PR
427398	WELL	PR	11/23/2013	GW	045-21287	FEDERAL 22-13BB (PJ21)	PR
427402	WELL	PR	11/22/2013	GW	045-21288	FEDERAL 22-13CC (PJ21)	PR
427404	WELL	PR	11/29/2013	GW	045-21289	FEDERAL ENCANA 21-6C (PJ21)	PR
427406	WELL	PR	01/07/2014	GW	045-21290	FEDERAL 21-9D (PJ21)	PR
427407	WELL	PR	11/22/2013	GW	045-21291	FEDERAL 22-13C (PJ21)	PR

General Comment:**CECMC Inspection Report Summary**

On 04/24/2024 at approximately 13:40 hours, I, Compliance Specialist, Wayne Smelser
Conducted a follow up inspection at CAERUS PICEANCE LLC FEDERAL 21-9C (PJ21) Pad.
Location # 427395 in Garfield County Colorado.

Please refer to inspection 707800565 conducted on 08/24/2023, previous corrective action has been completed.

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

Location is in close proximity to Rule 411a Surface Water External Buffer.

While there, I observed normal production operations.

During this inspection the following compliance issues were observed:

1. Fencing - Barbed wire fence needs maintenance, barbed wire laying on ground/wildlife hazard with a CA date of 05/01/2024
2. Equipment - Mechanical condition - fluid leaking from tank valve with a CA date of 04/25/2024
3. Stormwater - Culvert damaged/BMP needs maintenance & slope destabilized & sloughing with a CA date of 05/09/2024

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		Date:	

Overall Good: ☐**Signs/Marker:**

Type	OTHER		
Comment:	Sign at entrance to location		
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:			
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:	

Emergency Contact Number:

Comment:	911/970-285-2615	
Corrective Action:		Date: _____

Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

Comment: ☐ Multiple Spills and Releases?**Fencing/:**

Type	LOCATION		
Comment:	Barbed wire Barbed wire fence around location needs maintenance, barbed wire laying on ground/wildlife hazard (NE corner of location in same area as damaged culvert & destabilized/sloughing slope)		
Corrective Action:	Comply with CECMC wildlife rules	Date:	05/01/2024
Type	OTHER		

Comment:	Pig station & Summit Midstream meter house - bollards			
Corrective Action:			Date:	
Equipment:				corrective date
Type: Other	# 1			
Comment:	Mechanical condition – fluid leaking from tank valve At approximately 13:44 hours observed fluid leaking from a valve on one of the production tanks. At approximately 13:47 hours I called Caerus Gas Control & spoke with Jack Barnes. I advised him of the observed compliance issue & that I was issuing a 24 hour corrective action. He said they'd get on it. Caerus lease operator arrived on location at approximately 14:05 hours & attempted to tighten plug on valve to stop leak. The leak had slowed but had not stopped & was still leaking at conclusion of inspection.			
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:	04/25/2024
Type: Other	# 1			
Comment:	Open ended load line Pumper arrived on location during inspection & fixed observed compliance issue, no corrective action issued.			
Corrective Action:			Date:	
Type: Vertical Heated Separator	# 6			
Comment:				
Corrective Action:			Date:	
Type: Plunger Lift	# 6			
Comment:	All wells on plunger lift			
Corrective Action:			Date:	
Type: Gas Meter Run	# 6			
Comment:				
Corrective Action:			Date:	
Type: Emission Control Device	# 1			
Comment:				
Corrective Action:			Date:	
Type: Pig Station	# 1			
Comment:				
Corrective Action:			Date:	
Type: Gas Meter Run	# 1			
Comment:	Summit Midstream			
Corrective Action:			Date:	
Type: Other	# 1			
Comment:	Exposed pipe (NE corner of location in same area as damaged culvert & destabilized/sloughing slope)			
Corrective Action:			Date:	
Type: Bradenhead	# 6			
Comment:	Pressure transducers located on all bradenhead. All bradenhead valves are accessible.			
Corrective Action:			Date:	
Type: Bird Protectors	# 2			

Comment:			
Corrective Action:		Date:	

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS	
CONDENSATE	2	500 BBLS	STEEL AST		,	
Comment:	Tanks equipped with telemetry					
Corrective Action:					Date:	

Paint

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

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Metal	Adequate	Walls Sufficent			
Comment:	Centralized containment				
Corrective Action:					Date:

Venting:

Yes/No	NO		
Comment:			
Corrective Action:			Date:

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Inspected Facilities				
Facility ID:	427396	Type:	WELL	API Number: 045-21286 Status: PR Insp. Status: PR
Producing Well				
Comment:	Producing, well on plunger lift			
Corrective Action:		Date:		
The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12				
Facility ID:	427398	Type:	WELL	API Number: 045-21287 Status: PR Insp. Status: PR
Producing Well				
Comment:	Producing, well on plunger lift			
Corrective Action:		Date:		
The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12				
Facility ID:	427402	Type:	WELL	API Number: 045-21288 Status: PR Insp. Status: PR
Producing Well				
Comment:	Producing, well on plunger lift			
Corrective Action:		Date:		
The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12				
Facility ID:	427404	Type:	WELL	API Number: 045-21289 Status: PR Insp. Status: PR
Producing Well				
Comment:	Producing, well on plunger lift			
Corrective Action:		Date:		
The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12				
Facility ID:	427406	Type:	WELL	API Number: 045-21290 Status: PR Insp. Status: PR
Producing Well				
Comment:	Producing, well on plunger lift			
Corrective Action:		Date:		
The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12				
Facility ID:	427407	Type:	WELL	API Number: 045-21291 Status: PR Insp. Status: PR
Producing Well				
Comment:	Producing, well on plunger lift			
Corrective Action:		Date:		
The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12				

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	Fail					Culvert damaged/BMP needs maintenance
		Gravel				Sparse to none in sections
		Compaction				Light compaction in some areas
		Culverts				
Ditches						
Gravel						Sparse to none in some areas
Other	Fail					Slope destabilized & sloughing
Compaction						Light compaction in some areas

Comment: 1. Culvert damaged/BMP needs maintenance (NE corner of location)
2. Slope destabilized & sloughing (NE corner of location in the same area as the damaged culvert)

Corrective Action: **Comply with CECMC Stormwater rules**

Date: 05/09/2024

Pits: ☒ NO SURFACE INDICATION OF PIT

ECMC Comments

Comment	User	Date
Please refer to Fencing, Equipment & Stormwater for observed compliance issues.	smelserw	04/24/2024

Attached Documents

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

Document Num	Description	URL
708903615	Inspection 708903614 Tank valve leak video	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6523608
708903616	Inspection 708903614 photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6523609
708903617	Inspection 708903614 Stormwater photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6523610