

**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:

05/02/2024

Submitted Date:

05/02/2024

Document Number:

708903684

FIELD INSPECTION FORMLoc ID 334751 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:

29 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	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
270712	WELL	PR	03/01/2018	GW	045-09790	CLEM-WARREN 15-34	PR
270797	WELL	PR	02/01/2012	GW	045-09793	CLEM-WARREN 15-33D	PR
299705	WELL	PR	03/01/2018	GW	045-17726	Warren Federal 15-16 (PI15)	PR
299706	WELL	PR	07/10/2010	GW	045-17727	Warren Federal 15-16BB (PI15)	PR
299707	WELL	PR	07/09/2010	GW	045-17728	Warren 15-9 (PI15)	PR
299708	WELL	PR	07/07/2010	GW	045-17729	Warren 15-9BB	PR
299709	WELL	PR	09/21/2010	GW	045-17730	Warren 15-10BB (PI15)	PR

General Comment:

CECMC Inspection Report Summary

On 05/02/2024 at approximately 14:32 hours, I, Compliance Specialist, Wayne Smelser

Conducted a follow up inspection at CAERUS PICEANCE LLC Warren 15-9 (PI15) Pad.

Location # 334751 in Garfield County Colorado.

Please refer to inspection 708903187 conducted on 03/01/2024, previous corrective action has not been completed & CA date remains 03/02/2024

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

Location is approximately 179 yards from Battlement Creek.

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. Equipment - Mechanical Condition - Valve on 300 bbl production tank leaking fluid with a CA date of 03/02/2024
2. Stormwater - Failure to maintain chemical BMP with a CA date of 05/05/2024

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	OTHER		
Comment:	Chemical tank		
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:			
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		

In Containment: No

Comment: ☐ Multiple Spills and Releases?

Fencing/:			
Type	OTHER		
Comment:	Chemical tank - bollards		
Corrective Action:		Date:	
Type	LOCATION		
Comment:	Barbed wire fence Fence showing signs of disrepair in some areas		
Corrective Action:		Date:	

Type	OTHER			
Comment:	Summit Midstream meter house - bollards			
Corrective Action:			Date:	
Equipment:				corrective date
Type: Plunger Lift	# 7			
Comment:	All wells on plunger lift			
Corrective Action:			Date:	
Type: Vertical Heated Separator	# 5			
Comment:				
Corrective Action:			Date:	
Type: Bird Protectors	# 4			
Comment:				
Corrective Action:			Date:	
Type: Gas Meter Run	# 7			
Comment:				
Corrective Action:			Date:	
Type: Horizontal Heated Separator	# 2			
Comment:				
Corrective Action:			Date:	
Type: Ancillary equipment	# 1			
Comment:	Chemical tank			
Corrective Action:			Date:	
Type: Bradenhead	# 7			
Comment:	Pressure transducers located on all bradenhead. All bradenhead valves are accessible.			
Corrective Action:			Date:	
Type: Other	# 1			
Comment:	<p>Mechanical Condition - Valve on 300 bbl production tank leaking fluid</p> <p>Please refer to inspection 708903187 conducted on 03/01/2024 for more information.</p> <p>At approximately 14:33 hours called Romana Cowden with Caerus & informed her that the 24 hour CA from the previous inspection had not been completed & that the tank valve was still leaking. She said she'd make some calls & get someone on it.</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:	03/02/2024
Type: Emission Control Device	# 1			
Comment:				
Corrective Action:			Date:	
Type: Gas Meter Run	# 1			
Comment:	Summit Midstream			
Corrective Action:			Date:	

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS	
METHANOL	1	1000 GAL	STEEL AST		,	
Comment:						
Corrective Action:						Date:

Paint

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

Berms

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

Contents	#	Capacity	Type	Tank ID	SE GPS	
CONDENSATE	4	300 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 Sufficient			
Comment:		Centralized containment			
Corrective Action:					Date:

Venting:

Yes/No	NO		
Comment:			
Corrective Action:			Date:

Flaring:

Type			
Comment:			
Corrective Action:			Date:

Inspected Facilities				
Facility ID:	270712	Type:	WELL	API Number: 045-09790 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:	270797	Type:	WELL	API Number: 045-09793 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:	299705	Type:	WELL	API Number: 045-17726 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:	299706	Type:	WELL	API Number: 045-17727 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:	299707	Type:	WELL	API Number: 045-17728 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:	299708	Type:	WELL	API Number: 045-17729 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:	299709	Type:	WELL	API Number: 045-17730 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						
		Gravel				Sparse to none
				Material Handling And Spill Prevention	Fail	Failure to maintain chemical BMP
		Culverts				
Berms						
		Compaction				Some signs of lack of stabilization/compaction
Retention Ponds						
Compaction						Large amount of light compaction
		Ditches				
Rip Rap						
Gravel						Sparse to none in most areas

Comment: 1. Failure to maintain chemical BMP/chemical containment approximately 3/4 full of fluid/BMP insufficient to contain possible spill.

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

Date: 05/05/2024

Pits: ☒ NO SURFACE INDICATION OF PIT

ECMC Comments

Comment	User	Date
Please refer to Equipment & Stormwater for observed compliance issues.	smelserw	05/02/2024

Attached Documents

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

Document Num	Description	URL
708903685	Inspection 708903684 Stormwater photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6534389
708903686	Inspection 708903684 photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6534390
708903687	Inspection 708903684 leak video	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6534391