

**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:

09/06/2024

Submitted Date:

09/09/2024

Document Number:

708904538

FIELD INSPECTION FORMLoc ID 334140 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:**

26 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
, Caerus		COGCC.inspections@caerus oilandgas.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
290305	WELL	PR	08/01/2017	GW	045-14084	MCU 32-7(G32E)	PR
290306	WELL	PR	08/01/2017	GW	045-14083	HMU 32-3 (G32E)	PR

General Comment:**CECMC Inspection Report Summary**

On 09/06/2024 at approximately 13:33 hours, I, Compliance Specialist, Wayne Smelser

Conducted an on-site inspection at CAERUS PICEANCE LLC MCU 32-7 (G32E) Pad.

Location # 334140 in Garfield County Colorado.

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

While there, I observed normal production operations.

During this inspection the following compliance issues were observed:

1. Equipment - Rupture disc vent line does not comply with CECMC pressure safety device rules with a CA date of 09/16/2024

2. Tanks & Berms - Multiple holes in liner/liner needs maintenance with a CA date of 09/29/2024

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:	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	OTHER			
Comment:	Sign at entrance to location			
Corrective Action:			Date:	
Type	WELLHEAD			
Comment:	Wellhead signs at separators			
Corrective Action:			Date:	
Type	BATTERY			
Comment:				
Corrective Action:			Date:	
Type	TANK LABELS/PLACARDS			
Comment:	Label on methanol tank contains incorrect information/does not comply with CECMC rules - please refer to photo log			
Corrective Action:			Date:	
Emergency Contact Number:				
Comment:	911/970-285-2615			
Corrective Action:			Date:	
Good Housekeeping:				
Type	WEEDS			
Comment:	Small amount of weeds in secondary containment			
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	LOCATION			
Comment:	Barbed wire fence			

Corrective Action:		Date:	
Type	OTHER		
Comment:	Pig station - pipe rail fence		
Corrective Action:		Date:	

Equipment:			corrective date
Type: Other	# 1		
Comment:	Rupture disc vent line on separator unit does not comply with CECMC pressure safety device rules		
Corrective Action:	Comply with CECMC pressure safety device rules		Date: 09/16/2024
Type: Gas Meter Run	# 1		
Comment:	Summit Midstream		
Corrective Action:		Date:	
Type: Pig Station	# 1		
Comment:			
Corrective Action:		Date:	
Type: Horizontal Heated Separator	# 2		
Comment:			
Corrective Action:		Date:	
Type: Bradenhead	# 2		
Comment:	Pressure transducers located on all bradenhead, bradenhead valves are accessible.		
Corrective Action:		Date:	
Type: Gas Meter Run	# 2		
Comment:			
Corrective Action:		Date:	
Type: Plunger Lift	# 2		
Comment:	All wells on plunger lift		
Corrective Action:		Date:	

Tanks and Berms:

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

Paint

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

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal				

Comment:		Centralized containment					
Corrective Action:						Date:	
Contents	#	Capacity	Type	Tank ID	SE GPS		
CONDENSATE	2	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	Inadequate	Walls Insufficient		Inadequate	
Comment:		Multiple holes in secondary containment liner/liner needs maintenance			
		Centralized containment			
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: 09/29/2024

Venting:

Yes/No	NO		
Comment:			
Corrective Action:			Date:

Flaring:

Type			
Comment:			
Corrective Action:			Date:

Inspected Facilities									
Facility ID:	290305	Type:	WELL	API Number:	045-14084	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:	290306	Type:	WELL	API Number:	045-14083	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
Compaction						Light compaction
		Ditches				
Gravel						Sparse to none in areas
Retention Ponds						
		Compaction				Small amount of light compaction
		Culverts				
Other						Small amount of erosion on slope behind battery
		Other				Mag chloride on some sections of lease road
		Gravel				Sparse to none in sections

Comment: Corrective Action: Date: Pits: ☒ NO SURFACE INDICATION OF PIT**ECMC Comments**

Comment	User	Date
Please refer to Equipment & Tanks & Berms for corrective actions & refer to Signs/Marker & Stormwater for comments.	smelserw	09/09/2024

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

Document Num	Description	URL
708904539	Inspection 708904538 photo log	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6699168
708904540	Inspection 708904538 Stormwater photo log	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6699169