


<b>FORM INSP</b>  Rev 05/11	<b>State of Colorado</b> <b>Oil and Gas Conservation Commission</b> <small>1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109</small>		DE	ET	OE	ES
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**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection <input type="checkbox"/>	2A Doc Num: _____
	267327	317365	AXELSON, JOHN		

Inspection Date:  
04/19/2013

Document Number:  
667500175

Overall Inspection:  
**Violation**

**Operator Information:**

OGCC Operator Number: 86610 Name of Operator: CAERUS WASHCO LLC

Address: 600 17TH STREET - STE #1600N

City: DENVER State: CO Zip: 80202-

**Contact Information:**

Contact Name	Phone	Email	Comment
Matthew Wurtzbacher	303-565-4600	matt@caerusoilandgas.com	
Natasha Nightengale	303-565-4600	natasha@caerusoilandgas.com	
SCHURE, KYM		kym.schure@state.co.us	

**Compliance Summary:**

QtrQtr: NWNE Sec: 22 Twp: 3S Range: 50W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Unsatisfactory	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
09/11/2007	200119455	PR	PR	U			Y
04/24/2003	200038289	DG	DG	S		P	N

**Inspector Comment:**

Inspection performed due to land owner complaint #200378330 regarding surface impacts from past overflows and erosion at produced water pit. Reference pit facility ID #107521. Landowner also requests that pit be fenced to prevent livestock entry. Inspection verified numerous rule violations including surface impacts related to water pit. Appears to be a complete lack of routine maintenance and no attempt to comply with basic COGCC rules. Notice of alleged violation will be issued requiring corrective actions. Submit Form 19 to document past releases no later than 5/2/13. Submit Form 27 for remediation of oily waste and reclamation of surface impacts no later than 7/31/13.

**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name
107521	PIT	AC			-	FRIEND STATE 1
267327	WELL	PR	12/22/2003	OW	121-10695	STATE 31-22

**Equipment:**

Location Inventory

Special Purpose Pits: _____	Drilling Pits: _____	Wells: _____	Production Pits: _____
Condensate Tanks: _____	Water Tanks: _____	Separators: _____	Electric Motors: _____
Gas or Diesel Mortors: _____	Cavity Pumps: _____	LACT Unit: _____	Pump Jacks: _____
Electric Generators: _____	Gas Pipeline: _____	Oil Pipeline: _____	Water Pipeline: _____
Gas Compressors: _____	VOC Combustor: _____	Oil Tanks: _____	Dehydrator Units: _____
Multi-Well Pits: _____	Pigging Station: _____	Flare: _____	Fuel Tanks: _____

**Location**

<b>Lease Road:</b>				
Type	Satisfactory/Unsatisfactory	comment	Corrective Action	Date
Access	Unsatisfactory	Two track.	Perform routine maintenance on lease roads.	05/31/2013

Emergency Contact Number: (S/U/V) Satisfactory Corrective Date: \_\_\_\_\_

Comment: \_\_\_\_\_

Corrective Action: \_\_\_\_\_

<b>Good Housekeeping:</b>				
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
TRASH	Violation	junk and trash	immediately remove and properly recycle or dispose per Rule 603.j.	05/31/2013
UNUSED EQUIPMENT	Violation	unused tank being stored on location	immediately remove and properly recycle or dispose per Rule 603.j.	05/31/2013

<b>Spills:</b>				
Type	Area	Volume	Corrective action	CA Date
Crude Oil		> 5 bbls	Ongoing leaks/drips from piping, valves & wellhead. Prevent all leaks/drips and properly cleanup all oily waste per 907.e.	05/31/2013
Produced Water		> 5 bbls	Submit a Form 19 to document past overflows on west side of produced water pit	05/31/2013

Multiple Spills and Releases?

<b>Fencing/:</b>				
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
PIT	Violation	Pit is not fenced. Landowner requests installation of fence to prevent entry by cattle.	Construct fence around water pit capable of keeping cattle out per rule 1002.a.	05/31/2013
TANK BATTERY	Unsatisfactory	Partially fenced with barbed wire and single electric wire. Insufficient to keep cattle out.	Fence battery to prevent entry by cattle per Rule 1002.a.	05/31/2013

<b>Equipment:</b>					
Type	#	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
Pump Jack	1	Unsatisfactory	dripping oil at wellhead, oily waste, guard is off belt-drive	Prevent leaking oil, cleanup all oily waste and replace guard over belt-drive	05/31/2013
Vertical Heated Separator	2	Unsatisfactory	Separators not labelled, surrounded by oily waste. Shed full of junk/trash and oily waste.	Properly label per Rule 210.d. Cleanup all trash and oily waste.	05/31/2013
Bird Protectors		Unsatisfactory	none on stacks from 500 bbl tank	cover all openings to prevent wildlife entry	05/31/2013

**Facilities:**  New Tank Tank ID: \_\_\_\_\_

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	1	200 BBLS	STEEL AST	,

S/U/V: **Unsatisfactory** Comment: No tank labels or berms. Unpainted - Washington County

Corrective Action: Properly label tank and build secondary containment. Corrective Date: 05/31/2013

Paint

Condition	Adequate
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Other (Content) \_\_\_\_\_

Other (Capacity) \_\_\_\_\_

Other (Type) \_\_\_\_\_

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Inadequate	Walls Insufficient	Base Insufficient	Inadequate

Corrective Action: Build berms per rules 604.a.(4) and 906.e.(1) Corrective Date: 05/31/2013

Comment: No berm

**Facilities:**  New Tank Tank ID: \_\_\_\_\_

Contents	#	Capacity	Type	SE GPS
CRUDE OIL	1	500 BBLS	STEEL AST	,

S/U/V: **Unsatisfactory** Comment: Tank not labelled and no wildlife cover/screen over stacks.

Corrective Action: Properly label per Rule 210.d. Cover all stacks/vents to prevent wildlife entry. Corrective Date: 05/31/2013

Paint

Condition	Adequate
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Other (Content) \_\_\_\_\_

Other (Capacity) \_\_\_\_\_

Other (Type) \_\_\_\_\_

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Inadequate	Walls Insufficient	Base Insufficient	Inadequate

Corrective Action: Rebuild secondary containment per Rules 604.a.(4) and 906.e.(1) Corrective Date: 05/31/2013

Comment: \_\_\_\_\_

<b>Facilities:</b>		<input type="checkbox"/> New Tank	Tank ID: _____		
Contents	#	Capacity	Type	SE GPS	
CRUDE OIL	2	300 BBLS	STEEL AST		
S/U/V:	Unsatisfactory		Comment: Tanks are insulated appear to be corroded under insulation.		
Corrective Action:	Cleanup residual oil on exterior of tanks. Properly label per 210.d.			Corrective Date:	05/31/2013
<b>Paint</b>					
Condition	Inadequate				
Other (Content)	_____				
Other (Capacity)	_____				
Other (Type)	_____				
<b>Berms</b>					
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Earth	Inadequate	Walls Insufficient	Base Insufficient	Inadequate	
Corrective Action	Rebuild secondary containment per Rules 604.a.(4) and 906.e.(1).			Corrective Date	05/31/2013
Comment	No routine maintenance apparent.				
<b>Venting:</b>					
Yes/No	Comment				
<b>Flaring:</b>					
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date	

**Predrill**

Location ID: 317365

**Site Preparation:**

Lease Road Adeq.: \_\_\_\_\_ Pads: \_\_\_\_\_ Soil Stockpile: \_\_\_\_\_

Corrective Action: \_\_\_\_\_ Date: \_\_\_\_\_ CDP Num.: \_\_\_\_\_

**Form 2A COAs:**

**Comment:** \_\_\_\_\_

**CA:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Wildlife BMPs:**

**Comment:** \_\_\_\_\_

**CA:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Stormwater:**

Erosion BMPs	Present	Other BMPs	Present

Corrective Action: \_\_\_\_\_ Date: \_\_\_\_\_

Comments: Erosion BMPs: \_\_\_\_\_

Other BMPs: \_\_\_\_\_

**Comment:** \_\_\_\_\_

**Staking:**

**On Site Inspection (305):**

Surface Owner Contact Information:

Name: \_\_\_\_\_ Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Cell Phone: \_\_\_\_\_

Operator Rep. Contact Information:

Landman Name: \_\_\_\_\_ Phone Number: \_\_\_\_\_

Date Onsite Request Received: \_\_\_\_\_ Date of Rule 306 Consultation: \_\_\_\_\_

Request LGD Attendance: \_\_\_\_\_

LGD Contact Information:

Name: \_\_\_\_\_ Phone Number: \_\_\_\_\_ Agreed to Attend: \_\_\_\_\_

Summary of Landowner Issues:

\_\_\_\_\_

Summary of Operator Response to Landowner Issues:

\_\_\_\_\_

Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:

\_\_\_\_\_

**Facility**

Facility ID: 107521 Type: PIT API Number: - Status: AC Insp. Status: AC

**Environmental**

**Spills/Releases:**

Type of Spill: OIL Description: & Produced Water Estimated Spill Volume: \_\_\_\_\_

Comment: Large volume of oily waste at tank battery, separators, wellhead and water pit. Appears to be accumulations from small spills and bad housekeeping over time. Will require submittal of Form 27 with soil treatment or disposal documentation and confirmation sample results to verify compliance with Table 910-1. All oily waste is to be removed including material under tanks and in separator shed. Include information regarding oily waste on Form 19. Also past overflows on west side of water pit resulting in surface impact approx 200' x200' no vegetation. Include reclamation plan on Form 27 for all disturbed areas.

Corrective Action: Cleanup all oily waste and treat/dispose per rule 907.e. document with Form 27 Date: 07/31/2013

Reportable: YES GPS: Lat Long

Proximity to Surface Water: Depth to Ground Water:

**Water Well:**

DWR Receipt Num: Owner Name: GPS: Lat Long

**Field Parameters:**

Sample Location:

**Waste Management:**

Type	Management	Condition	Comment	GPS (Lat)	(Long)
	Piles	Inadequate	Stockpile of material from water pit excavation on east side of pit. Pile is eroding and blowing into pasture. Area on south side of pit approx 140' x 200' covered with sand.		

Emission Control Burner (ECB):

Comment:

Pilot: Wildlife Protection Devices (fired vessels): NO

**Reclamation - Storm Water - Pit**

**Interim Reclamation:**

Date Interim Reclamation Started: Date Interim Reclamation Completed:

Land Use:

Comment:

- 1003a. Debris removed? CM CA CA Date
- Waste Material Onsite? CM CA CA Date
- Unused or unneeded equipment onsite? CM CA CA Date
- Pit, cellars, rat holes and other bores closed? CM CA CA Date
- Guy line anchors removed? CM CA CA Date
- Guy line anchors marked? CM CA CA Date

1003b. Area no longer in use? Production areas stabilized ?

1003c. Compacted areas have been cross ripped? \_\_\_\_\_  
 1003d. Drilling pit closed? \_\_\_\_\_ Subsidence over on drill pit? \_\_\_\_\_  
 Cuttings management: \_\_\_\_\_  
 1003e. Areas no longer needed for drilling or subsequent operations for have been re-vegetated to 80% of pre-existing? \_\_\_\_\_  
 Production areas have been stabilized? \_\_\_\_\_ Segregated soils have been replaced? \_\_\_\_\_

RESTORATION AND REVEGETATION

Cropland

Top soil replaced \_\_\_\_\_ Recontoured \_\_\_\_\_ Perennial forage re-established \_\_\_\_\_

Non-Cropland

Top soil replaced \_\_\_\_\_ Recontoured \_\_\_\_\_ 80% Revegetation \_\_\_\_\_

1003 f. Weeds Noxious weeds? \_\_\_\_\_

Comment: \_\_\_\_\_

Overall Interim Reclamation

**Final Reclamation/ Abandoned Location:**

Date Final Reclamation Started: \_\_\_\_\_ Date Final Reclamation Completed: \_\_\_\_\_

Final Land Use: \_\_\_\_\_

Reminder: \_\_\_\_\_

Comment: \_\_\_\_\_

Well plugged \_\_\_\_\_ Pit mouse/rat holes, cellars backfilled \_\_\_\_\_

Debris removed \_\_\_\_\_ No disturbance /Location never built \_\_\_\_\_

Access Roads Regraded \_\_\_\_\_ Contoured \_\_\_\_\_ Culverts removed \_\_\_\_\_

Gravel removed \_\_\_\_\_

Location and associated production facilities reclaimed \_\_\_\_\_ Locations, facilities, roads, recontoured \_\_\_\_\_

Compaction alleviation \_\_\_\_\_ Dust and erosion control \_\_\_\_\_

Non cropland: Revegetated 80% \_\_\_\_\_ Cropland: perennial forage \_\_\_\_\_

Weeds present \_\_\_\_\_ Subsidence \_\_\_\_\_

Comment: \_\_\_\_\_

Corrective Action: \_\_\_\_\_ Date \_\_\_\_\_

Overall Final Reclamation

Multi-Well Location

**Storm Water:**

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment

S/U/V: **Violation** Corrective Date: **05/31/2013**

Comment: No erosion control or stormwater bmps being used on location. Wind blown sand originating from unstabilized areas at water pit is covering area approximately 140' x 200' on south side of pit. Site-wide erosion is occurring from unstabilized surfaces. It is not allowable to use oil to stabilize surfaces. Use of oil constitutes a release and results in E&P waste.

CA: Use best management practices and install controls to stop ongoing stormwater and wind blown erosion. Include reclamation plan on Form 27 for south side of water pit where wind blown sand has covered pasture. All disturbed areas shall be stabilized by vegetation or other means to prevent additional erosion. All surface impacts to pasture surrounding location shall be properly reclaimed in accordance with Rule 1004.

**Pits:**

Pit Type: Produced Water Lined: NO Pit ID: 107521 Lat: 39.779973 Long: -102.961577

**Lining:**

Liner Type: \_\_\_\_\_ Liner Condition: \_\_\_\_\_

Comment: No Liner

**Fencing:**

Fencing Type: \_\_\_\_\_ Fencing Condition: \_\_\_\_\_

Comment: Not fenced. Landowner requests fence to prevent entry by livestock.

**Netting:**

Netting Type: \_\_\_\_\_ Netting Condition: \_\_\_\_\_

Comment: \_\_\_\_\_

Anchor Trench Present: \_\_\_\_\_ Oil Accumulation: NO 2+ feet Freeboard: \_\_\_\_\_

Pit (S/U/V): Unsatisfactory Comment: Past overflows on west side have caused surface impact requiring reclamation.

Corrective Action: Operate and maintain pit to prevent any additional releases. Properly dispose or treat waste from pit cleanout. Comply with rules 902.a., 902.b., 902.d., and 324A.a.

Date: 05/31/2013

Monitoring:	Monitoring Type	Comment
	None	Monitor pit to maintain minimum 2-ft freeboard