

FORM INSP
Rev 05/11

**State of Colorado
Oil and Gas Conservation Commission**

1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109



DE	ET	OE	ES
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Inspection Date:
12/19/2014

Document Number:
674700762

Overall Inspection:

ACTION REQUIRED

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>335684</u>	<u>335684</u>	<u>LONGWORTH, MIKE</u>	<input type="checkbox"/>	

Operator Information:

OGCC Operator Number:	<u>10456</u>
Name of Operator:	<u>CAERUS PICEANCE LLC</u>
Address:	<u>600 17TH STREET #1600N</u>
City:	<u>DENVER</u> State: <u>CO</u> Zip: <u>80202</u>

- THIS IS A FOLLOW UP INSPECTION
- FOLLOW UP INSPECTION REQUIRED
- NO FOLLOW UP INSPECTION REQUIRED
- INSPECTOR REQUESTS FORM 42 WHEN CORRECTIVE ACTIONS ARE COMPLETED

Contact Information:

Contact Name	Phone	Email	Comment
Janicek, Jake		JJanicek@caerusoilandgas.com	
McKee, Michael		MMckee@caerusoilandgas.com	EHS Engineer
Naeve, Natalie		NNaeve@caerusoilandgas.com	Piceance Operations Engineer

Compliance Summary:

QtrQtr: NESE Sec: 17 Twp: 6S Range: 96W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
05/15/2014	663903200			SATISFACTORY			No
05/24/2013	663801054			SATISFACTORY	I		No

Inspector Comment:

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
289533	WELL	PR	01/31/2008	GW	045-13796	UNCOAL-ENCANA 13D-16D	PR	<input checked="" type="checkbox"/>
289534	WELL	PR	10/01/2011	GW	045-13802	UNOCAL-ENCANA 23B-16D	PR	<input checked="" type="checkbox"/>
289539	WELL	PR	01/31/2008	GW	045-13797	UNOCAL-ENCANA 13B-16D	PR	<input checked="" type="checkbox"/>
289705	WELL	PR	01/31/2008	GW	045-13854	UNOCAL-ENCANA 23D-16D	PR	<input checked="" type="checkbox"/>
289706	WELL	PR	10/31/2010	GW	045-13853	UNOCAL-ENCANA 24A-16D	PR	<input checked="" type="checkbox"/>

Equipment:

Location Inventory

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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

Signs/Marker:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
TANK LABELS/PLACARDS	ACTION REQUIRED		Replace label on condensate tank	01/31/2015
BATTERY	SATISFACTORY			
WELLHEAD	SATISFACTORY			

Emergency Contact Number (S/A/V): SATISFACTORY Corrective Date: _____

Comment: 1-866-580-9382

Corrective Action: _____

Spills:				
Type	Area	Volume	Corrective action	CA Date
<input type="checkbox"/> Multiple Spills and Releases?				

Fencing/:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
TANK BATTERY	SATISFACTORY			
WELLHEAD	SATISFACTORY			
SEPARATOR	SATISFACTORY			

Equipment:					
Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Horizontal Heated Separator	5	SATISFACTORY			
Bird Protectors	3	SATISFACTORY			
Plunger Lift	5	SATISFACTORY			

Facilities: New Tank Tank ID: _____

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

S/A/V: SATISFACTORY Comment: _____

Corrective Action: _____ Corrective Date: _____

Paint

Condition	Inadequate
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Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms				
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal	Adequate	Walls Insufficient	Base Sufficient	Adequate

Corrective Action **Close gaps** Corrective Date **01/31/2015**

Comment **Gaps in corners where berms attach. No liner in berm.**

Facilities: New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
CONDENSATE	1	300 BBLS	STEEL AST	,

S/A/V: SATISFACTORY Comment: _____

Corrective Action: _____ Corrective Date: _____

Paint

Condition	Adequate
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Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal	Adequate	Walls Sufficent	Base Sufficient	Adequate

Corrective Action _____ Corrective Date _____

Comment **lined**

Venting:

Yes/No _____ Comment _____

YES **Bradens open to vent**

Flaring:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Predrill

Location ID: 335684

Site Preparation:

Lease Road Adeq.: _____ Pads: _____ Soil Stockpile: _____

S/AV: _____

Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:

S/AV: _____ **Comment:** _____

CA: _____ **Date:** _____

Wildlife BMPs:

S/AV: _____ **Comment:** _____

CA: _____ **Date:** _____

Stormwater:

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: 289533 Type: WELL API Number: 045-13796 Status: PR Insp. Status: PR

Producing Well

Comment: **Producing well**

Facility ID: 289534 Type: WELL API Number: 045-13802 Status: PR Insp. Status: PR

Producing Well

Comment: **Producing well**

Facility ID: 289539 Type: WELL API Number: 045-13797 Status: PR Insp. Status: PR

Producing Well

Comment: **No visible braden line on well. Provide a braden line for monitoring braden pressue.**

Facility ID: 289705 Type: WELL API Number: 045-13854 Status: PR Insp. Status: PR

Producing Well

Comment: Producing well

Facility ID: 289706 Type: WELL API Number: 045-13853 Status: PR Insp. Status: PR

Producing Well

Comment: Producing well

Environmental

Spills/Releases:

Type of Spill: _____ Description: _____ Estimated Spill Volume: _____
 Comment: _____
 Corrective Action: _____ Date: _____
 Reportable: _____ 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: _____

Emission Control Burner (ECB): _____
 Comment: _____
 Pilot: _____ Wildlife Protection Devices (fired vessels): _____

Reclamation - Storm Water - Pit

Interim Reclamation:

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____
 Land Use: _____
 Comment: _____

1003a. Debris removed? Pass CM _____ CA _____ CA Date _____
 Waste Material Onsite? Pass CM _____ CA _____ CA Date _____
 Unused or unneeded equipment onsite? Pass 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? Pass CM _____ CA _____ CA Date _____

CA _____ CA Date _____

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

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 _____ Well Release on Active Location Multi-Well Location

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Compaction	Pass					
		Gravel	Pass			
Seeding	Pass					
Gravel	Pass					
Check Dams	Pass					

Inspector Name: LONGWORTH, MIKE

		Ditches	Fail			Ditches are washing and stacking sediment.
Berms	Pass					
		Compaction	Pass			
Ditches	Pass					

S/A/V: **ACTION REQUIRED** Corrective Date: **01/31/2015**

Comment:

CA: **Maintain ditch and bmps**

Pits: NO SURFACE INDICATION OF PIT

COGCC Comments

Comment	User	Date
	longworm	12/19/2014

Attached Documents

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

Document Num	Description	URL
674700763	Location # 335684 Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3513143

ACTION REQUIRED

ANY ACTION REQUIRED items listed on this report indicate that the oil and gas facility or the oil and gas operations listed on the report may be in violation of the rules and regulations of the Colorado Oil and Conservation Commission (“COGCC”) and corrective action is required.

There is reasonable cause to believe that a violation of the Oil and Gas Conservation Act, or of any rule, regulation, or order of the Commission, or of any permit issued by the Commission, has occurred. The Operator’s compliance with this Inspection Report is required to resolve these alleged violations. This document requires the Operator to timely respond to the COGCC and to comply with directives as listed by the **Corrective Action Deadline Date**. Failure to do so will result in the issuance of a Notice of Alleged Violation and initiation of enforcement proceedings in which COGCC will seek monetary penalties for the alleged violations pursuant to § 34-60-121, C.R.S. and Rule 523, COGCC Rules of Practice and Procedure, 2 CCR 404-1. (Please note that the COGCC's penalty authority was recently increased to a maximum of \$15,000 per day and penalties are no longer capped at a maximum of \$10,000 per violation.)