

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



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Inspection Date:
12/23/2014

Document Number:
674700776

Overall Inspection:

ACTION REQUIRED

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	335618	335618	LONGWORTH, MIKE	<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
Naeve, Natalie		NNaeve@caerusoilandgas.com	Piceance Operations Engineer
McKee, Michael		MMckee@caerusoilandgas.com	EHS Engineer
Janicek, Jake		JJanicek@caerusoilandgas.com	

Compliance Summary:

QtrQtr:	<u>NESW</u>	Sec:	<u>4</u>	Twp:	<u>6S</u>	Range:	<u>96W</u>
Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
01/15/2014	663902658			ACTION REQUIRED	F		No

Inspector Comment:

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
287572	WELL	PR	08/31/2010	GW	045-13001	UNOCAL-ENCANA 23D-4D	PR	<input checked="" type="checkbox"/>
288397	WELL	PR	08/31/2010	GW	045-13237	UNOCAL-ENCANA 24B-4D	PR	<input checked="" type="checkbox"/>
288398	WELL	PR	08/31/2010	GW	045-13236	UNOCAL-ENCANA 23B-4D	PR	<input checked="" type="checkbox"/>
288399	WELL	PR	08/31/2010	GW	045-13235	UNOCAL-ENCANA 24A-4D	PR	<input checked="" type="checkbox"/>
288400	WELL	PR	09/28/2007	GW	045-13234	UNOCAL-ENCANA 23A-4D	PR	<input checked="" type="checkbox"/>
439130	CENTRALIZED EP WASTE MGMT FAC	XX	09/30/2014		-	VALLEY TRANSFER FACILITY 439130	XX	<input type="checkbox"/>

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

Signs/Marker:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
BATTERY	SATISFACTORY			
TANK LABELS/PLACARDS	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
WELLHEAD	SATISFACTORY			
TANK BATTERY	SATISFACTORY			
SEPARATOR	SATISFACTORY			

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

Facilities:					
<input type="checkbox"/> New Tank		Tank ID: _____			
Contents	#	Capacity	Type	SE GPS	
CONDENSATE	1	400 BBLS	STEEL AST		
S/A/V:	SATISFACTORY		Comment: _____		
Corrective Action: _____				Corrective Date: _____	

Paint	
Condition	Adequate
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	Production facility			
Facilities: <input type="checkbox"/> New Tank Tank ID: _____				
Contents	#	Capacity	Type	SE GPS
CONDENSATE	1	400 BBLS	STEEL AST	,
S/A/V:	SATISFACTORY		Comment:	
Corrective Action:				Corrective Date:
Paint				
Condition	Adequate			
Other (Content) _____				
Other (Capacity) _____				
Other (Type) _____				
Berms				
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Corrective Action				Corrective Date
Comment	VALLEY TRANSFER FACILITY - #439130			
Facilities: <input type="checkbox"/> New Tank Tank ID: _____				
Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	5	500 BBLS	STEEL AST	,
S/A/V:	SATISFACTORY		Comment:	
Corrective Action:				Corrective Date:
Paint				
Condition	Adequate			
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	VALLEY TRANSFER FACILITY - #439130			
Venting:				
Yes/No	Comment			

Flaring:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Predrill

Location ID: 335618

Site Preparation:

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

S/A/V: _____

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

Form 2A COAs:

S/A/V: _____ **Comment:** _____

CA: _____ **Date:** _____

Wildlife BMPs:

S/A/V: _____ **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: 287572 Type: WELL API Number: 045-13001 Status: PR Insp. Status: PR

Producing Well

Comment: Producing well

Facility ID: 288397 Type: WELL API Number: 045-13237 Status: PR Insp. Status: PR

Producing Well

Comment: Producing well

Facility ID: 288398 Type: WELL API Number: 045-13236 Status: PR Insp. Status: PR

Producing Well

Comment: Producing well

Facility ID: 288399 Type: WELL API Number: 045-13235 Status: PR Insp. Status: PR

Producing Well

Comment: Producing well

Facility ID: 288400 Type: WELL API Number: 045-13234 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? _____ CM _____
 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
Gravel	Pass					
Ditches	Pass					

		Culverts	Fail			Culvert is packed off. (39.55117 -108.11543)
Seeding						
Berms	Pass					
Rip Rap	Pass					
		Compaction	Pass			
Compaction	Pass					
Check Dams	Pass					
		Culverts	Fail			Culvert inlet not found. (39.55087 -108.11304)
Waddles	Pass					

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

Comment: **Poor storm water bmps at access and black top (CR215). Culverts are plugged off.**

CA: **Install and maintain BMPs at intersection of access road and county road 215 (blacktop). Clean out culverts. Maintain inlets and outlets. Maintain road ditches and BMPs.**

Pits: NO SURFACE INDICATION OF PIT

Attached Documents

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

Document Num	Description	URL
674700776	INSPECTION APPROVED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3514838
674700779	Road storm water management	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3514830

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.)