

**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:  
12/23/2014Document 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: 10456Name of Operator: CAERUS PICEANCE LLCAddress: 600 17TH STREET #1600NCity: DENVER State: CO Zip: 80202

- ☐ 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: NESW Sec: 4 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)
01/15/2014	663902658			<b>ACTION REQUIRED</b>	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**

Inspector Name: LONGWORTH, MIKE

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
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☐ 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:

☐ 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
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Other (Content) \_\_\_\_\_

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

Inspector Name: LONGWORTH, MIKE

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

**Berms**

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

Corrective Action		Corrective Date	
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Comment	Production facility
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**Facilities:** ☐ New Tank Tank ID: \_\_\_\_\_

Contents	#	Capacity	Type	SE GPS
CONDENSATE	1	400 BBLS	STEEL AST	,

S/A/V: SATISFACTORY	Comment:	
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Corrective Action:		Corrective Date:	
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**Paint**

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

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

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

**Berms**

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance

Corrective Action		Corrective Date	
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Comment	VALLEY TRANSFER FACILITY - #439130
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**Facilities:** ☐ New Tank Tank ID: \_\_\_\_\_

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	5	500 BBLS	STEEL AST	,

S/A/V: SATISFACTORY	Comment:	
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Corrective Action:		Corrective Date:	
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**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 Sufficent	Adequate

Corrective Action		Corrective Date	
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Comment	VALLEY TRANSFER FACILITY - #439130
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<b>Venting:</b>		
Yes/No	Comment	

<b>Flaring:</b>				
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

Inspector Name: LONGWORTH, MIKE

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 Date  
Waste Material Onsite? Pass CM CA Date  
Unused or unneeded equipment onsite? Pass CM CA Date  
Pit, cellars, rat holes and other bores closed? CM CA Date

Inspector Name: LONGWORTH, MIKE

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					

Inspector Name: LONGWORTH, MIKE

		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	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3514838">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3514838</a>
674700779	Road storm water management	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3514830">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3514830</a>

## **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.)