

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:
01/28/2015

Document Number:
674700907

Overall Inspection:

ACTION REQUIRED

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>335519</u>	<u>335519</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	
Naeve, Natalie		NNaeve@caerusoilandgas.com	Piceance Operations Engineer
McKee, Michael		MMckee@caerusoilandgas.com	EHS Engineer

Compliance Summary:

QtrQtr:	<u>SWNE</u>	Sec:	<u>24</u>	Twp:	<u>6S</u>	Range:	<u>97W</u>
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Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
06/23/2014	663903363			SATISFACTORY			No
06/23/2014	663903362			SATISFACTORY			No

Inspector Comment:

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
296915	WELL	PR	02/28/2011	GW	045-16214	Puckett 33A-24D	PR	<input checked="" type="checkbox"/>
296916	WELL	PR	06/01/2009	GW	045-16215	PUCKETT 23C-24D	PR	<input checked="" type="checkbox"/>
296917	WELL	PR	06/30/2011	GW	045-16216	Puckett 23A-24D	PR	<input checked="" type="checkbox"/>
296922	WELL	PR	12/01/2010	GW	045-16217	Puckett 23B-24D	PR	<input checked="" type="checkbox"/>
296923	WELL	PR	06/01/2009	GW	045-16218	PUCKETT 23D-24D	PR	<input checked="" type="checkbox"/>
296925	WELL	AL	12/12/2008	LO	045-16221	PUCKETT 43B-24D	AL	<input type="checkbox"/>
296926	WELL	PR	02/28/2011	GW	045-16222	Puckett 33C-24D	PR	<input checked="" type="checkbox"/>

296928	WELL	PR	02/28/2011	GW	045-16223	Puckett 33B-24D	PR	<input checked="" type="checkbox"/>
297516	WELL	PR	02/28/2011	GW	045-16220	Puckett 33D-24D	PR	<input checked="" type="checkbox"/>

Equipment: Location Inventory

Special Purpose Pits: _____	Drilling Pits: _____	Wells: _____	Production Pits: _____
Condensate Tanks: _____	Water Tanks: _____	Separators: _____	Electric Motors: _____
Gas or Diesel Motors: _____	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

Lease Road:

Type	Satisfactory/Action Required	comment	Corrective Action	Date
Access	SATISFACTORY	Road being maintained		

Signs/Marker:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
WELLHEAD	SATISFACTORY			
TANK LABELS/PLACARDS	SATISFACTORY			
BATTERY	SATISFACTORY			
CONTAINERS	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	8	SATISFACTORY			
Ancillary equipment	2	ACTION REQUIRED	Chemical containers	Remove fluid from secondary containment	02/06/2015
Plunger Lift	8	SATISFACTORY			

Bird Protectors	4	SATISFACTORY		
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Facilities: New Tank Tank ID: _____

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

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

Corrective Action: _____ Corrective Date: _____

Paint

Condition Adequate

Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

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

Corrective Action _____ Corrective Date _____

Comment _____

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

Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

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

Corrective Action _____ Corrective Date _____

Comment _____

Venting:

Yes/No	Comment

Flaring:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Predrill

Location ID: 335519

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: 296915 Type: WELL API Number: 045-16214 Status: PR Insp. Status: PR

Producing Well

Comment: Producing well

Facility ID: 296916 Type: WELL API Number: 045-16215 Status: PR Insp. Status: PR

Producing Well

Comment: Producing well

Facility ID: 296917 Type: WELL API Number: 045-16216 Status: PR Insp. Status: PR

Producing Well

Comment: Producing well

Facility ID: 296922 Type: WELL API Number: 045-16217 Status: PR Insp. Status: PR

Producing Well

Comment: Producing well

Facility ID: 296923 Type: WELL API Number: 045-16218 Status: PR Insp. Status: PR

Producing Well

Comment: Producing well

Facility ID: 296926 Type: WELL API Number: 045-16222 Status: PR Insp. Status: PR

Producing Well

Comment: Producing well

Facility ID: 296928 Type: WELL API Number: 045-16223 Status: PR Insp. Status: PR

Producing Well

Comment: Producing well

Facility ID: 297516 Type: WELL API Number: 045-16220 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? Pass CM _____
 CA _____ CA Date _____

Guy line anchors removed? _____ CM _____
 CA _____ CA Date _____

Guy line anchors marked? Pass CM _____
 CA _____ CA Date _____

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

1003c. Compacted areas have been cross ripped? _____

1003d. Drilling pit closed? Pass _____ 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			
Compaction	Pass					
		Ditches				
				MHSP	Fail	Secondary containment is full
Gravel	Pass					
Berms	Pass					
		Culverts	Pass			
		Compaction	Pass			
		Check Dams	Pass			

S/AV: **ACTION REQUIRED** Corrective Date: **02/06/2015**

Comment: **Chemical container's secondary containment is full. Limited inspection due to snow cover.**

CA: **Remove fluid from containment**

Pits: NO SURFACE INDICATION OF PIT

Attached Documents

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

Document Num	Description	URL
674700907	INSPECTION APPROVED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3539441
674700908	Secondary containment full	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3539375

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.)