

**FORM
INSP**Rev
X/15**State of Colorado
Oil and Gas Conservation Commission**1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109

Inspection Date:

01/18/2019

Submitted Date:

01/24/2019

Document Number:

693200214**FIELD INSPECTION FORM**
 Loc ID _____ Inspector Name: _____ On-Site Inspection ☐
 _____ Murray, Richard _____ 2A Doc Num: _____
Operator Information:OGCC Operator Number: 10456Name of Operator: CAERUS PICEANCE LLCAddress: 1001 17TH STREET #1600City: DENVER State: CO Zip: 80202**Status Summary:**

- ☐ THIS IS A FOLLOW UP INSPECTION
- ☐ FOLLOW UP INSPECTION REQUIRED
- ☐ NO FOLLOW UP INSPECTION REQUIRED

Findings:3 Number of Comments1 Number of Corrective Actions☒ Corrective Action Response Requested**ANY CORRECTIVE ACTION(S) FROM
PREVIOUS INSPECTIONS THAT HAVE NOT
BEEN ADDRESSED ARE STILL APPLICABLE****Contact Information:**

Contact Name	Phone	Email	Comment
Schlagenhauf, Mark		mark.schlagenhauf@state.co.us	
Jake Janicek		COGCC.inspections@caerusoilandgas.com	All Piceance inspections

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
460722	SPILL OR RELEASE	AC	01/16/2019		-	Basin Pipeline WC-4 Vault Release	AC

General Comment:[COGCC joint inspection with EPS S. Arauza and Western Integrity Inspector R. Murray.](#)[Engineering Integrity Inspection performed on January 15, 2018. In response to initial form 19 spill report Doc #401905874](#)[Met with Caerus personal on location. Discussed point of release and spill/release of Produced water](#)[Flowline was repaired and put back into service prior to inspection](#)

Inspected FacilitiesFacility ID: 460722 Type: SPILL OR API Number: - Status: AC Insp. Status: AC**Flowline**

#1	Type: Process Piping	1 of Lines	
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Flowline DescriptionFlowline Type: Process PipingSize: OtherMaterial: Carbon SteelVariance: NoAge: 5-10 YrsContents: Produced WaterIntegrity SummaryFailures: OtherSpills: YesRepairs Made: YesCoatings: NoH2S: NoCathodic Protection: NoPressure Testing

Witnessed:

Test Result:

Charted:

COGCC Rules(check all that apply)☐ 1101. Installation and Reclamation☒ 1102. Operations, Maintenance, and Repair☐ 1103. Abandonment

Comment: 3/8" stainless steel process piping operating at 650 psi, Failed and separated and is point of release. Coupler was installed and put back in service

Corrective Action: Establish root cause of the failure and discuss measures that will be taken to prevent reoccurrence on the form 19 subsequent.

Date: 02/07/2019**Attached Documents**You can go to COGCC Images (<https://cogcc.state.co.us/weblink/>) and search by document number:

Document Num	Description	URL
401916337	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4713565
693200215	Caerus	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4713564