

**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:

05/30/2019

Submitted Date:

06/04/2019

Document Number:

698100012**FIELD INSPECTION FORM**
 Loc ID 424630 Inspector Name: Arauza, Steven On-Site Inspection ☐ 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:7 Number of Comments3 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
Murray, Richard		g.richard.murray@state.co.us	
,		COGCC.inspections@caerusoilandgas.com	All Inspections
Rollins, Blair		broollins@caerusoilandgas.com	
Fischer, Alex		alex.fischer@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
424652	WELL	PR	09/14/2013	GW	045-20918	STORY GULCH 8512E-36 D36496	EI
464596	SPILL OR RELEASE	AC			-	8512E flowline release	EI

General Comment:

COGCC Environmental inspection of 8512E flowline release (Spill/Release ID #464596). Follow-up to Operator's eForm 19 Spill/Release Report (doc #402046587). Weather conditions during inspection were 46 degrees Fahrenheit with intermittent rain/hail.

Operator reported the release of 1-5 bbls of fluids resulting from a pinhole leak in a flowline associated with the Story Gulch 8512E-36 D36496 well (045-20918). Operator's report indicated that site investigation and remediation activities were initiated on May 7, 2019.

On inspection date, an open excavation remained northwest of wellheads with rocky soil stockpiles on north and south sides. Neither hydrocarbon odors nor staining were observed in stockpiled soil during inspection. No hydrocarbon staining was observed inside of excavation. See photos.

Tank battery on location consisted of 80 bbl produced water AST inside of lined, metal secondary containment. No holes or tears were observed in visible portion of tank battery liner. See Tanks and Berms section for description of additional frac tank battery.

LocationOverall Good: ☐

Emergency Contact Number:

Comment: Corrective Action: Date: **Good Housekeeping:**

Type UNUSED EQUIPMENT

Comment: Junk pipe located west of open excavation and associated stockpiles, see photos.

Corrective Action: Comply with Rule 603.f.

Date: 06/30/2019

Overall Good: ☐**Spills:**

Type Area Volume

In Containment: No

Comment: ☐ Multiple Spills and Releases?**Tanks and Berms:**

Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	2	500 BBLS	OTHER		

Comment: Two 500 bbl frac tanks inside lined earthen berm located ~30' SE of 80 bbl produced water AST. Frac tanks are visible in Google Earth aerials dated 10/11/2015. See photos.

Corrective Action: Date: **Paint**Condition Other (Content) Other (Capacity) Other (Type) **Berms**

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate		Base Sufficient	Inadequate

Comment: Frac tank liner seam was parted at NW corner, resulting in unlined area of berm wall. See photos.

Corrective Action: Repair or install berms or other secondary containment devices per Rule 605.a.(4).

Date: 07/04/2019

Venting:Yes/No Comment: Corrective Action: Date: **Flaring:**Type Comment:

Corrective Action:		Date:	
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Inspected Facilities									
Facility ID:	<u>424652</u>	Type:	<u>WELL</u>	API Number:	<u>045-20918</u>	Status:	<u>PR</u>	Insp. Status:	<u>EI</u>
Facility ID:	<u>464596</u>	Type:	<u>SPILL OR</u>	API Number:	<u>-</u>	Status:	<u>AC</u>	Insp. Status:	<u>EI</u>

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Environmental**Spill/Remediation:**

Comment: [Operator's Spill/Release Report \(doc #402046587\)](#) reports that "Caerus is in the process of determining the extent of contamination associated with the flowline release." The operator's report was conditionally approved with specific requirements for supplemental spill reporting and for the operator to submit an eForm 27.

Corrective Action: [Comply with COAs listed on Initial Spill Report \(doc #402046587\). Submit an Initial eForm 27 to document investigations related to Spill/Release ID #464596.](#)

Date: 06/30/2019

Emission Control Burner (ECB): _____

Comment: _____

Pilot: _____ Wildlife Protection Devices (fired vessels): _____

COGCC Comments

Comment	User	Date
Coordinate with COGCC Western Integrity Inspector, R. Murray, to document flowline failure and repair.	arauzas	06/04/2019

Attached Documents

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

Document Num	Description	URL
698100013	20190530 field photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4839679