

**FORM
INSP**Rev
X/20**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:

03/07/2023

Submitted Date:

03/10/2023

Document Number:

698100284

FIELD INSPECTION FORMLoc ID 316655 Inspector Name: Arauza, Steven On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**

OGCC Operator Number: 10456

Name of Operator: CAERUS PICEANCE LLC

Address: 1001 17TH STREET #1600

City: 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 Comments

3 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
Fischer, Alex		alex.fischer@state.co.us	
Barrett, Tim		tbarrett@blm.gov	
,		COGCC.inspections@caerus oilandgas.com	All Inspections
Trujillo, Aaron		aaron.trujillo@state.co.us	
Rollins, Blair		brollins@caerusoilandgas.co m	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
159378	UIC DISPOSAL	AC	11/21/2011		-	YELLOW CREEK FEDERAL 1-41-1	EI
483942	SPILL OR RELEASE	AC	03/03/2023		-	YCF 1-41-1 SWD	EI

General Comment:

Joint inspection conducted by COGCC Environmental Protection Specialist and Reclamation Specialist. Follow-up to Operator's Initial Spill/Release Report (doc #403330879) for Spill/Release ID #483942. Weather conditions during inspection were sunny with a temperature of approximately 30 degrees Fahrenheit.

Operator's construction personnel were onsite during inspection along with an environmental consultant tasked with investigation of impacts related to Spill/Release ID #483942. Operator's personnel and consultant guided COGCC staff to observe the length of the impacted intermittent drainage, pointing out BMPs (check dams) and soil/water sampling areas. Additional documentation of Spill/Release cleanup efforts can be found under Spill/Release ID #483942 with associated Forms 19 and attachments.

LocationOverall Good: ☐

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Good Housekeeping:

Type	STORAGE OF SUPL		
Comment:	Filter socks being stored on top of filter pot. On inspection date, filter socks were observed falling into tank battery secondary containment device. See photos. Given likelihood of high winds in the area, it is recommended that the Operator store unused equipment inside of a designated container.		
Corrective Action:		Date:	

Overall Good: ☐

Spills:				
Type	Area	Volume		
PW/CN	Truck Loadout	<= 1 bbl		
Comment:	Localized accumulation of oily waste (impacted snow and soil) observed outside of northwest corner of tank battery in filter pot area. See photos. Operator was notified of this spill in person on 3/9/2023.			
Corrective Action:	Remove and properly dispose of oily waste. Comply with Rule 912 cleanup requirements and submit documentation of cleanup on a FIRR form per Rule 912.a.(5).			Date: 03/22/2023

In Containment: No

Comment:

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

Contents	#	Capacity	Type	Tank ID	SE GPS
OTHER	6	400 BBLS	STEEL AST		,
Comment:	Several tank volume/content labels and NFPA placards were observed to be peeling or damaged during inspection. See photos.				
Corrective Action:	Install sign to comply with Rule 605.h.				Date: 04/07/2023

Paint

Condition	
Other (Content) PW/CN	
Other (Capacity)	
Other (Type)	

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal	Adequate	Walls Sufficient		Adequate
Comment:	No holes or tears were observed in visible portions of tank battery liner during inspection. Filter pot with secondary containment device was stored in northwest corner of tank battery secondary containment on inspection date. Filter pot containment device was filled with fluids including hydrocarbons, snowmelt, and likely produced water during inspection--which resulted in impacts outside of secondary containment. See photos.			

Corrective Action:	Conduct routine inspections of filter pot secondary containment and surrounding areas outside of containment for spills. Provide documentation of spill evaluation and any steps taken to prevent Spills or Releases due to similar causes to the future on an FIRR form.	Date:	04/07/2023
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Venting:

Yes/No			
Comment:			
Corrective Action:		Date:	

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Inspected Facilities									
Facility ID:	159378	Type:	UIC	API Number:	-	Status:	AC	Insp. Status:	EI
Facility ID:	483942	Type:	SPILL OR	API Number:	-	Status:	AC	Insp. Status:	EI

Environmental**Spill/Remediation:**

Comment: Spill/Release ID #483942 corresponds to the release of produced water from a failed waterline in the valve can located north of the tank battery. Released fluids and snowmelt entered an intermittent drainage adjacent to the pad. The Operator reported the incident to the CDPHE Emergency and Incident Reporting Line, CDPHE Spills Event Incident Report Number 2023-0119 and has been coordinating with the BLM regarding spill response and cleanup efforts.

Corrective
Action:

Date: _____

Emission Control Burner (ECB): _____

Comment:

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

Attached Documents

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

Document Num	Description	URL
698100286	20230307 field photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6047094