

**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:

03/09/2023

Submitted Date:

03/10/2023

Document Number:

708900099

FIELD INSPECTION FORM

Loc ID: 335598 Inspector Name: Smelser, Wayne On-Site Inspection: 2A Doc Num: _____

Status Summary:

THIS IS A FOLLOW UP INSPECTION

FOLLOW UP INSPECTION REQUIRED

NO FOLLOW UP INSPECTION REQUIRED

Findings:

36 Number of Comments

2 Number of Corrective Actions

Corrective Action Response Requested

Operator Information:

OGCC Operator Number: 10456

Name of Operator: CAERUS PICEANCE LLC

Address: 1001 17TH STREET #1600

City: DENVER State: CO Zip: 80202

ANY CORRECTIVE ACTION(S) FROM PREVIOUS INSPECTIONS THAT HAVE NOT BEEN ADDRESSED ARE STILL APPLICABLE

Contact Information:

| Contact Name | Phone | Email | Comment |
|-----------------|-------|---------------------------------------|---------|
| Depaolo, Corey | | corey.depaolo@state.co.us | |
| , Caerus | | COGCC.inspections@caerusoilandgas.com | |
| Kellerby, Shaun | | shaun.kellerby@state.co.us | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|------------------------------|-------------|
| 284957 | WELL | PR | 10/01/2021 | GW | 045-12325 | N PARACHUTE MF10C N04 696 | PR |
| 284958 | WELL | PR | 02/01/2014 | GW | 045-12324 | N PARACHUTE MF11D N04 696 | PR |
| 284959 | WELL | PR | 08/01/2021 | GW | 045-12323 | N PARACHUTE WF17A N04 696 | PR |
| 284960 | WELL | PR | 08/01/2021 | GW | 045-12322 | N PARACHUTE MF16C N04 696 | PR |
| 284961 | WELL | PR | 08/01/2021 | GW | 045-12321 | N PARACHUTE MF09C N04 696 | PR |
| 284962 | WELL | PR | 08/01/2021 | GW | 045-12320 | N PARACHUTE MF16A N04 696 | PR |
| 284963 | WELL | PR | 01/01/2010 | GW | 045-12319 | N. PARACHUTE MF12D N04 696 | PR |
| 284964 | WELL | PR | 05/01/2021 | GW | 045-12318 | N PARACHUTE MF09A N04 696 | PR |
| 284965 | WELL | PR | 09/01/2021 | GW | 045-12317 | N.PARACHUTE MF 18C N04 696 | PR |
| 284966 | WELL | PR | 08/01/2021 | GW | 045-12316 | N PARACHUTE MF15C N04 696 | PR |
| 284967 | WELL | PR | 08/01/2021 | GW | 045-12315 | N PARACHUTE MF17C N04 696 | PR |
| 284968 | WELL | PR | 06/05/2006 | GW | 045-12314 | N PARACHUTE MF18A N04 696 | PR |
| 300233 | WELL | PR | 05/01/2021 | GW | 045-17863 | N. PARACHUTE MF10A-4 N04 696 | PR |

| | | | | | | | |
|--------|------|----|------------|----|-----------|---------------------------------|----|
| 300234 | WELL | PR | 01/14/2010 | GW | 045-17862 | N.PARACHUTE MF 18A-4 N04 69 | PR |
| 300235 | WELL | PR | 12/30/2009 | GW | 045-17861 | N.PARACHUTE MF10C-4 M04 696 | PR |
| 300236 | WELL | PR | 07/01/2022 | GW | 045-17860 | N. PARACHUTE MF11A-4 N04 696 | PR |
| 300237 | WELL | PR | 02/10/2011 | GW | 045-17859 | N.PARACHUTE MF06D-4 N04 696 | PR |
| 301809 | WELL | PR | 08/01/2019 | GW | 045-18279 | N. PARACHUTE MF15B-4 N04 696 | PR |
| 301810 | WELL | PR | 12/30/2009 | GW | 045-18280 | N. PARACHUTE MF07B-4 N04 696 | PR |

General Comment:

[COGCC Inspection Report Summary](#)

On 03/09/2023 at approximately 14:28 hours, I, Compliance Specialist, Wayne Smelser

Conducted an on-site inspection at CAERUS PICEANCE LLC MF09A N04 696 Pad

Location # 335598 in Garfield County Colorado.

Split location, production separation equipment & production tanks located at Middlefork Station facility #'s 419757 & 470699

Location is located in a high priority habitat area.

While there, I observed normal production operations.

During this inspection the following compliance issues were observed:

1. Chemical BMP's not maintained with a CA date of 03/17/2023
2. Calibration info not conspicuously posted with a CA date of 03/20/2023

Called operator & spoke to Jack Barnes in the operations control center. Informed him of the stormwater issue with the chemical BMP's, he advised me that they'd notify the pumper & take care of the observed compliance issue asap.

A follow up on this site inspection needs to be conducted to ensure the compliance issues have been corrected to comply with COGCC rules.

This is a summary of inspection report.

Location

| | | | |
|--------------------|--------|--|-------|
| Lease Road: | | | |
| Type | Access | | |
| comment: | | | |
| Corrective ActionL | | | Date: |

Overall Good:

| | | | |
|----------------------|------------------------------|--|-------|
| Signs/Marker: | | | |
| Type | WELLHEAD | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type | CONTAINERS | | |
| Comment: | Chemical tanks | | |
| Corrective Action: | | | Date: |
| Type | OTHER | | |
| Comment: | Sign at entrance to location | | |
| Corrective Action: | | | Date: |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | | | |
| Corrective Action: | | | Date: |

| | | | |
|---------------------------|------------------|--|-------------|
| Emergency Contact Number: | | | |
| Comment: | 911/970-285-2615 | | |
| Corrective Action: | | | Date: _____ |

Overall Good:

| | | | |
|----------------|------|--------|--|
| Spills: | | | |
| Type | Area | Volume | |

In Containment: No

Comment:

Multiple Spills and Releases?

| | | | |
|--------------------|--|--|-------|
| Fencing/: | | | |
| Type | OTHER | | |
| Comment: | Chemical Tanks - Jersey barrier | | |
| Corrective Action: | | | Date: |
| Type | OTHER | | |
| Comment: | Gas lift meter houses - Jersey barrier | | |
| Corrective Action: | | | Date: |
| Type | WELLHEAD | | |
| Comment: | Jersey barrier | | |
| Corrective Action: | | | Date: |
| Type | OTHER | | |

| | | | | | |
|--------------------|---|------|--|-------|-----------------|
| Comment: | Gas meter houses - Jersey barrier | | | Date: | |
| Corrective Action: | | | | Date: | |
| Equipment: | | | | | corrective date |
| Type: | Gas Meter Run | # 19 | | | |
| Comment: | Calibration info not conspicuously posted | | | | |
| Corrective Action: | The Operator will conspicuously post and maintain the date of the last meter calibration in a legible condition at each meter at all times. | | | Date: | 03/20/2023 |
| Type: | Plunger Lift | # 19 | | | |
| Comment: | All wells on plunger lift | | | | |
| Corrective Action: | | | | Date: | |
| Type: | Ancillary equipment | # 3 | | | |
| Comment: | Chemical tanks | | | | |
| Corrective Action: | | | | Date: | |
| Type: | Bradenhead | # 19 | | | |
| Comment: | MF 15B-4, 07B-4, 18A-4, 11D, 17A, 16C, 15C, 18A & 16A wells have Taylor plugs on bradenhead, remaining 10 wells have no form of pressure monitoring equipment located on the bradenheads. All bradenhead valves are accessible. | | | | |
| Corrective Action: | | | | Date: | |
| Type: | Gas Meter Run | # 19 | | | |
| Comment: | Gas lift | | | | |
| Corrective Action: | | | | Date: | |

Tanks and Berms:

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|------------------------|-----------|-----------|---------|--------|
| PRODUCED WATER | 1 | <100 BBLS | STEEL AST | | |
| Comment: | Blowdown & unload tank | | | | |
| Corrective Action: | | | | | Date: |

Paint

| | | |
|------------------|----------|--|
| Condition | Adequate | |
| Other (Content) | | |
| Other (Capacity) | 80 bbl | |
| Other (Type) | | |

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|--------------------|----------|---------------------|---------------------|-------------|
| Metal | Adequate | Walls Sufficent | Base Sufficient | |
| Comment: | | | | |
| Corrective Action: | | | | |
| | | | | Date: |

Venting:

| | | |
|--------------------|----|-------|
| Yes/No | NO | |
| Comment: | | |
| Corrective Action: | | |
| | | Date: |

Flaring:

| | | |
|--------------------|--|-------|
| Type | | |
| Comment: | | |
| Corrective Action: | | Date: |

| Inspected Facilities | | | | | | | | | |
|-----------------------|---|-------|------|-------------|-----------|---------|----|---------------|----|
| Facility ID: | 284957 | Type: | WELL | API Number: | 045-12325 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | Producing, well has plunger lift & gas lift | | | | | | | | |
| Corrective Action: | | | | | | | | Date: | |
| Facility ID: | 284958 | Type: | WELL | API Number: | 045-12324 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | Producing, well has plunger lift & gas lift | | | | | | | | |
| Corrective Action: | | | | | | | | Date: | |
| Facility ID: | 284959 | Type: | WELL | API Number: | 045-12323 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | Producing, well has plunger lift & gas lift | | | | | | | | |
| Corrective Action: | | | | | | | | Date: | |
| Facility ID: | 284960 | Type: | WELL | API Number: | 045-12322 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | Producing, well has plunger lift & gas lift | | | | | | | | |
| Corrective Action: | | | | | | | | Date: | |
| Facility ID: | 284961 | Type: | WELL | API Number: | 045-12321 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | Producing, well has plunger lift & gas lift | | | | | | | | |
| Corrective Action: | | | | | | | | Date: | |
| Facility ID: | 284962 | Type: | WELL | API Number: | 045-12320 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | Producing, well has plunger lift & gas lift | | | | | | | | |
| Corrective Action: | | | | | | | | Date: | |
| Facility ID: | 284963 | Type: | WELL | API Number: | 045-12319 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | Producing, well has plunger lift & gas lift | | | | | | | | |
| Corrective Action: | | | | | | | | Date: | |
| Facility ID: | 284964 | Type: | WELL | API Number: | 045-12318 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | Producing, well has plunger lift & gas lift | | | | | | | | |
| Corrective Action: | | | | | | | | Date: | |

| | | | | |
|-----------------------|---|-----------------------|------------|------------------|
| Facility ID: 284965 | Type: WELL | API Number: 045-12317 | Status: PR | Insp. Status: PR |
| Producing Well | | | | |
| Comment: | Producing, well has plunger lift & gas lift | | | |
| Corrective Action: | | | Date: | |
| Facility ID: 284966 | Type: WELL | API Number: 045-12316 | Status: PR | Insp. Status: PR |
| Producing Well | | | | |
| Comment: | Producing, well has plunger lift & gas lift | | | |
| Corrective Action: | | | Date: | |
| Facility ID: 284967 | Type: WELL | API Number: 045-12315 | Status: PR | Insp. Status: PR |
| Producing Well | | | | |
| Comment: | Producing, well has plunger lift & gas lift | | | |
| Corrective Action: | | | Date: | |
| Facility ID: 284968 | Type: WELL | API Number: 045-12314 | Status: PR | Insp. Status: PR |
| Producing Well | | | | |
| Comment: | Producing, well has plunger lift & gas lift | | | |
| Corrective Action: | | | Date: | |
| Facility ID: 300233 | Type: WELL | API Number: 045-17863 | Status: PR | Insp. Status: PR |
| Producing Well | | | | |
| Comment: | Producing, well has plunger lift & gas lift | | | |
| Corrective Action: | | | Date: | |
| Facility ID: 300234 | Type: WELL | API Number: 045-17862 | Status: PR | Insp. Status: PR |
| Producing Well | | | | |
| Comment: | Producing, well has plunger lift & gas lift | | | |
| Corrective Action: | | | Date: | |
| Facility ID: 300235 | Type: WELL | API Number: 045-17861 | Status: PR | Insp. Status: PR |
| Producing Well | | | | |
| Comment: | Producing, well has plunger lift & gas lift | | | |
| Corrective Action: | | | Date: | |
| Facility ID: 300236 | Type: WELL | API Number: 045-17860 | Status: PR | Insp. Status: PR |
| Producing Well | | | | |
| Comment: | Producing, well has plunger lift & gas lift | | | |
| Corrective Action: | | | Date: | |

| | | | | |
|----------------------------|-------------------|------------------------------|-------------------|-------------------------|
| Facility ID: <u>300237</u> | Type: <u>WELL</u> | API Number: <u>045-17859</u> | Status: <u>PR</u> | Insp. Status: <u>PR</u> |
|----------------------------|-------------------|------------------------------|-------------------|-------------------------|

Producing Well

| | | | |
|--------------------|---|-------|--|
| Comment: | Producing, well has plunger lift & gas lift | | |
| Corrective Action: | | Date: | |

| | | | | |
|----------------------------|-------------------|------------------------------|-------------------|-------------------------|
| Facility ID: <u>301809</u> | Type: <u>WELL</u> | API Number: <u>045-18279</u> | Status: <u>PR</u> | Insp. Status: <u>PR</u> |
|----------------------------|-------------------|------------------------------|-------------------|-------------------------|

Producing Well

| | | | |
|--------------------|---|-------|--|
| Comment: | Producing, well has plunger lift & gas lift | | |
| Corrective Action: | | Date: | |

| | | | | |
|----------------------------|-------------------|------------------------------|-------------------|-------------------------|
| Facility ID: <u>301810</u> | Type: <u>WELL</u> | API Number: <u>045-18280</u> | Status: <u>PR</u> | Insp. Status: <u>PR</u> |
|----------------------------|-------------------|------------------------------|-------------------|-------------------------|

Producing Well

| | | | |
|--------------------|---|-------|--|
| Comment: | Producing, well has plunger lift & gas lift | | |
| Corrective Action: | | Date: | |

Reclamation - Storm Water - Pit

Storm Water:

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
|------------------|-----------------|-------------------------|-----------------------|--|--------------------------|--|
| Gravel | | | | | | |
| | | Compaction | | | | |
| | | | | Material Handling And Spill Prevention | Fail | Chemical containments full, maintain BMP's |
| | | Culverts | | | | |
| Ditches | | | | | | |
| | | Gravel | | | | |
| | | Ditches | | | | |
| Compaction | | | | | | |
| Berms | | | | | | |

Comment: Chemical tank containments full of fluid, BMP's not maintained.
Called operator & spoke to Jack Barnes in the operations control center. Informed him of the stormwater issue with the chemical BMP's, he advised me that they'd notify the pumper & take care of the observed compliance issue asap.

Corrective Action: Maintain chemical BMP's

Date: 03/17/2023

Pits: NO SURFACE INDICATION OF PIT

COGCC Comments

| Comment | User | Date |
|---|----------|------------|
| Please refer to Equipment & Stormwater for observed compliance issues. | smelserw | 03/10/2023 |
| Split location, production separation equipment & production tanks located at Middlefork Station facility #'s 419757 & 470699 | | |

Attached Documents

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

| Document Num | Description | URL |
|--------------|--------------------------------|---|
| 403343321 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6047014 |
| 708900106 | Inspection 708900099 photo log | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6047011 |