

**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:

05/03/2023

Submitted Date:

05/05/2023

Document Number:

698100289

FIELD INSPECTION FORMLoc ID 335717 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:

4 Number of Comments

0 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
,		COGCC.inspections@caerusoilandgas.com	All Inspections
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Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
484391	SPILL OR RELEASE	AC			-	LOVE RANCH 8 Off-Location Flowline	EI

General Comment:

COGCC Environmental Inspection of Spill/Release ID #484391.

On inspection date, COGCC EPS met with Operator's EH&S Staff on location. Operator's environmental consultants were also on location, conducting site investigation and surface water sampling. CPW staff arrived during inspection to discuss potential wildlife impacts. Operator's EH&S Staff discussed discovery of the release, identification and isolation of source flowline, notification provided to regulators and downstream surface owners, surface water sampling, initial impacts observed, and a planned path forward to control the source, investigate impacts, and remediate impacted areas.

COGCC EPS and Operator's EH&S Staff walked downstream from the point of release (POR) for approximately 1,300 feet--along the Piceance Creek channel and through saturated floodplain--to assess for impacts, to observe surface water sampling locations, and to observe mitigation measures taken in response to the sheen discovered on May 2, 2023.

No hydrocarbon sheens, staining or odors were observed in downstream areas during inspection. Possible hydrocarbon sheens were still present in close proximity to the approximate POR (see photos). The Operator had advanced a pothole in the approximate POR area to observe depth to groundwater and assess for impacts. Groundwater was observed at approximately 2 feet bgs with an observable sheen.

Environmental**Spill/Remediation:**

Comment: Operator's Initial Spill/Release Report (doc #403391282) documents that this Spill/Release incident was discovered on May 2, 2023 when the Operator identified a sheen emanating on Piceance Creek along a known pipeline corridor. Operator's initial response to incident included deploying absorbent booms in the waterway, providing regulatory notification, shutting in lines, and pressure testing equipment. See Spill/Release ID #484391 for additional documentation. Per Rule 912.b.(4), the Operator will file a Supplemental Form 19 not more than 10 days after the discovery date.

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
698100290	20230503 field photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6105465