

**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:

06/05/2023

Submitted Date:

06/05/2023

Document Number:

708900656

FIELD INSPECTION FORMLoc ID 334799 Inspector Name: Smelser, Wayne 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:

19 Number of Comments

1 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
Kellerby, Shaun		shaun.kellerby@state.co.us	
, Caerus		COGCC.inspections@caerus oilandgas.com	
Burger, Craig		craig.burger@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
211580	WELL	PR	06/01/2021	GW	045-07341	COUEY 8-3 (C8E)	PR
258069	WELL	PR	06/01/2021	GW	045-07618	COUEY 8-3A (C8E)	PR

General Comment:**COGCC Inspection Report Summary**

On 06/05/2023 at approximately 09:37 hours, I, Compliance Specialist, Wayne Smelser

Conducted an on-site inspection at CAERUS PICEANCE LLC C8E pad.

Location # 334799 in Garfield County Colorado.

Location is within High Priority/Density/Black Bear Habitat areas & within close proximity to NSO Habitat area.

Location is approximately 207 yards from West Mamm Creek & 312 yards from Middle Mamm Creek.

While there, I observed normal production operations.

During this inspection the following compliance issues were observed:

1. Equipment - Valve on production tank leaking fluid with a CA date of 06/06/2023

At approximately 09:57 hours I contacted Caerus & spoke with Wayne McDowell in the operations control center. I informed him that one of the valves on the production tank on location was leaking fluid & that I was issuing a 24 hour corrective action on the observed compliance issue. He said they'd get it taken care of 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 Action	L	Date:	

Overall Good: ☐**Signs/Marker:**

Type	OTHER		
Comment:	Separator units include attached storage tanks. The sight glass located on the side of the units indicates the storage tanks are full of an unknown fluid. No form of labeling or markers are present to identify a potential hazard or the contents of the storage tanks.		
Corrective Action:		Date:	
Type	BATTERY		
Comment:			
Corrective Action:		Date:	
Type	TANK LABELS/PLACARDS		
Comment:			
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:			
Corrective Action:		Date:	

Emergency Contact Number:

Comment:	911/970-285-2615		
Corrective Action:		Date:	

Good Housekeeping:

Type	DEBRIS		
Comment:	Debris - Please refer to photo log		
Corrective Action:		Date:	

Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

Comment: ☐ Multiple Spills and Releases?**Fencing/:**

Type	WELLHEAD		
Comment:	Cattle panels		
Corrective Action:		Date:	
Type	SEPARATOR		
Comment:	Cattle panels		

Corrective Action:		Date:	
Type	OTHER		
Comment:	Meter house - Cattle panels		
Corrective Action:		Date:	

Equipment:

			corrective date
Type: Bird Protectors	# 2		
Comment:			
Corrective Action:		Date:	
Type: Horizontal Heated Separator	# 2		
Comment:			
Corrective Action:		Date:	
Type: Other	# 1		
Comment:	<p>Observed valve on production tank leaking fluid.</p> <p>At approximately 09:57 hours I contacted Caerus & spoke with Wayne McDowell in the operations control center. I informed him that one of the valves on the production tank on location was leaking fluid & that I was issuing a 24 hour corrective action on the observed compliance issue. He said they'd get it taken care of ASAP.</p>		
Corrective Action:	All Production Facilities, valves, pipes, fittings, and vessels will be securely fastened or sealed, inspected at regular intervals, and maintained in good mechanical condition.		Date: 06/06/2023
Type: Bradenhead	# 2		
Comment:	<p>COUEY 8-3 bradenhead line connected to flow line. No check valve installed on the line, notified engineering. (API 045-07341)</p> <p>Pressure transducers located on all bradenhead. All bradenhead valves are accessible.</p>		
Corrective Action:		Date:	
Type: Plunger Lift	# 2		
Comment:	All wells on plunger lift		
Corrective Action:		Date:	
Type: Gas Meter Run	# 2		
Comment:			
Corrective Action:		Date:	
Type: Gas Meter Run	# 1		
Comment:	Summit meter & meter house		
Corrective Action:		Date:	
Type: Deadman # & Marked	# 1		
Comment:	Marked		
Corrective Action:		Date:	

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS	
CONDENSATE	1	300 BBLS	STEEL AST		,	
Comment:						
Corrective Action:						Date:

Paint

Condition	Adequate	
Other (Content)		
Other (Capacity)		
Other (Type)		

Berms

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

Venting:

Yes/No	NO		
Comment:			
Corrective Action:		Date:	

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Inspected Facilities									
Facility ID:	211580	Type:	WELL	API Number:	045-07341	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift								
Corrective Action:						Date:			
Facility ID:	258069	Type:	WELL	API Number:	045-07618	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger 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
		Culverts				
Compaction						Small areas of light compaction
		Ditches				
		Gravel				Sparse
Gravel						Sparse
		Compaction				

Comment: Location appears to have some gravel throughout the location with light compaction. Places with sparse to no gravel are present on location. Sparse gravel and light compaction could lead to future stabilization and tracking issues.

Corrective Action:

Date: _____

Pits: ☒ NO SURFACE INDICATION OF PIT

COGCC Comments

Comment	User	Date
Please refer to Equipment for observed compliance issue.	smelserw	06/05/2023
COUEY 8-3 bradenhead line connected to flow line. No check valve installed on the line, notified engineering. (API 045-07341)		

Attached Documents

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

Document Num	Description	URL
708900668	Inspection 708900656 photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6136358
708900670	Inspection 708900656 Stormwater photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6136359