

**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:

08/15/2023

Submitted Date:

08/16/2023

Document Number:

708901371

FIELD INSPECTION FORMLoc ID 334944 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:

26 Number of Comments

2 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
, Caerus		COGCC.inspections@caerus oilandgas.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
256487	WELL	PR	06/01/2002	GW	045-07459	BENZEL 1-11 (N36NW)	PR
256488	WELL	SI	06/01/2023	GW	045-07460	BENZEL 1-10(N36NW)	SI
256489	WELL	SI	06/01/2023	GW	045-07461	BENZEL 36-14 (N36NW)	SI
256490	WELL	PR	06/01/2002	GW	045-07462	BENZEL 36-15(N36NW)	PR

General Comment:**CECMC Inspection Report Summary**

On 08/15/2023 at approximately 12:10 hours, I, Compliance Specialist, Wayne Smelser

Conducted a follow up inspection at CAERUS PICEANCE LLC N36NW Pad.

Location # 334944 in Garfield County Colorado.

Please refer to inspection 702801346 conducted on 03/14/2023, previous corrective actions have been completed.

Location is within High Priority/Density/Black Bear Habitat areas.

While there, I observed normal production operations.

During this inspection the following compliance issues were observed:

1. Stormwater - Ditch on spur road needs maintenance, Tunnel erosion/sink holes in multiple areas of location with a CA date of 08/31/2023

2. Equipment - Open ended load line with a CA date of 08/23/2023

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

This is a summary of inspection report.

Location

Lease Road:			
Type	Access		
comment:			
Corrective Action	L	Date:	

Overall Good: ☐

Signs/Marker:			
Type	TANK LABELS/PLACARDS		
Comment:			
Corrective Action:		Date:	
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	CONTAINERS		
Comment:	Chemical tank		
Corrective Action:		Date:	
Type	BATTERY		
Comment:			
Corrective Action:		Date:	
Type	WELLHEAD		
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?

Equipment:			corrective date
Type: Other	# 1		
Comment:	Open ended load line		
Corrective Action:	All load lines will be capped or plugged	Date:	08/23/2023
Type: Plunger Lift	# 4		
Comment:	All wells on plunger lift		
Corrective Action:		Date:	

Type: Horizontal Heated Separator	# 4	
Comment:		
Corrective Action:		Date:
Type: Ancillary equipment	# 1	
Comment:	Chemical tank	
Corrective Action:		Date:
Type: Bradenhead	# 4	
Comment:	Pressure transducers located on all bradenhead. All bradenhead valves are accessible.	
Corrective Action:		Date:
Type: Gas Meter Run	# 1	
Comment:	Summit Midstream	
Corrective Action:		Date:
Type: Gas Meter Run	# 4	
Comment:		
Corrective Action:		Date:
Type: Bird Protectors	# 4	
Comment:		
Corrective Action:		Date:

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
METHANOL	1	1000 GAL	STEEL AST		,
Comment:	Centralized containment				
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:	Unlined containment			
Corrective Action:				Date:

Contents	#	Capacity	Type	Tank ID	SE GPS
CONDENSATE	4	300 BBLS	STEEL AST		,
Comment:	Centralized containment				
Corrective Action:					Date:

Paint

Condition	Adequate	
Other (Content)		

Other (Capacity)					
Other (Type)					
Berms					
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Metal	Adequate	Walls Sufficient			
Comment: Unlined containment					
Corrective Action:					Date:
Venting:					
Yes/No	NO				
Comment:					
Corrective Action:					Date:
Flaring:					
Type					
Comment:					
Corrective Action:					Date:

Inspected FacilitiesFacility ID: 256487 Type: WELL API Number: 045-07459 Status: PR Insp. Status: PR**Producing Well**Comment: Producing, well on plunger liftCorrective Action: Date: Facility ID: 256488 Type: WELL API Number: 045-07460 Status: SI Insp. Status: SI**Idle Well**Purpose: ☒ Shut In ☐ Temporarily AbandonedReminder: Comment: Shut InCorrective Action: Date: Facility ID: 256489 Type: WELL API Number: 045-07461 Status: SI Insp. Status: SI**Idle Well**Purpose: ☒ Shut In ☐ Temporarily AbandonedReminder: Comment: Shut InCorrective Action: Date: Facility ID: 256490 Type: WELL API Number: 045-07462 Status: PR Insp. Status: PR**Producing Well**Comment: Producing, well on plunger liftCorrective 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				
Retention Ponds						
Other	Fail					Tunnel erosion/sink holes in multiple areas
Ditches						
		Gravel				Sparse
Compaction						Areas of light compaction
		Compaction				
		Other				Mag chloride on some sections of lease road
				Material Handling And Spill Prevention		Chemical tank containment
Gravel						Sparse
		Ditches	Fail			Ditch on spur road needs maintenance

Comment: 1. Ditch on spur road needs maintenance

2. Tunnel erosion/sink holes in multiple areas on location

Corrective Action: Oil and gas operators shall implement and maintain Best Management Practices (BMPs) at all oil and gas locations to control stormwater runoff in a manner that minimizes erosion, transport of sediment offsite, and site degradation. BMPs shall be maintained until the facility is abandoned and final reclamation is achieved.

Date: 08/31/2023

Pits: ☒ NO SURFACE INDICATION OF PIT**COGCC Comments**

Comment	User	Date
Please refer to Equipment & Stormwater for observed compliance issues.	smelserw	08/16/2023

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

Document Num	Description	URL
708901372	Inspection 708901371 Stormwater photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6221248
708901373	Inspection 708901371 photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6221249