

**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:

08/17/2023

Submitted Date:

08/19/2023

Document Number:

708901395

FIELD INSPECTION FORMLoc ID 335003 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:

23 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
269190	WELL	PR	09/06/2007	GW	045-09331	BENZEL 36-8C5 (H36X)	PR
269285	WELL	PR	01/07/2008	GW	045-09340	BENZEL 36-8B5 (H36X)	PR

General Comment:**CECMC Inspection Report Summary**

On 08/17/2023 at approximately 09:09 hours, I, Compliance Specialist, Wayne Smelser

Conducted a follow up inspection at CAERUS PICEANCE LLC H36X Pad.

Location # 335003 in Garfield County Colorado.

Please refer to inspection 699805475 conducted on 03/10/2023, previous corrective action has 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 - Erosion & transport of sediment off location with a CA date of 09/03/2023
2. Equipment - Flowline heating insulation open ended with a CA date of 08/26/2023

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	WELLHEAD		
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:	

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	

In Containment: No

Comment: ☐ Multiple Spills and Releases?

Equipment:			corrective date
Type: Vertical Heated Separator	# 2		
Comment:			

Corrective Action:		Date:	
Type: Ancillary equipment	# 1		
Comment:	Chemical tank		
Corrective Action:		Date:	
Type: Bradenhead	# 2		
Comment:	Pressure transducers located on all bradenhead. All bradenhead valves are accessible.		
Corrective Action:		Date:	
Type: Gas Meter Run	# 2		
Comment:			
Corrective Action:		Date:	
Type: Bird Protectors	# 1		
Comment:			
Corrective Action:		Date:	
Type: Other	# 2		
Comment:	Flowline heating insulation open ended		
Corrective Action:	Operators will prevent & minimize adverse impacts to wildlife resources.		Date: 08/26/2023
Type: Plunger Lift	# 2		
Comment:	All wells on plunger lift		
Corrective Action:		Date:	

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
CONDENSATE	1	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:	
Contents	#	Capacity	Type	Tank ID	SE GPS
METHANOL	1	<50 BBLS	STEEL AST		,
Comment:	Centralized containment				
Corrective Action:					Date:

Paint

Condition	Adequate
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Inspector Name: Smelser, Wayne

Other (Content)	
Other (Capacity) 500 gal	
Other (Type)	

Berms

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

Venting:

Yes/No	NO		
Comment:			
Corrective Action:			Date:

Flaring:

Type			
Comment:			
Corrective Action:			Date:

Inspected Facilities									
Facility ID:	269190	Type:	WELL	API Number:	045-09331	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift								
Corrective Action:						Date:			
Facility ID:	269285	Type:	WELL	API Number:	045-09340	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
		Gravel				Sparse
Compaction						Light compaction in some areas
		Culverts				
Gravel						Sparse
		Retention Ponds				
Other	Fail					Erosion & transport of sediment off location
		Other				Mag chloride on some sections of lease road
		Ditches				
		Compaction				
				Material Handling And Spill Prevention		Chemical tank containment
		Rip Rap				

Comment: 1. Erosion & transport of sediment off location onto another location & erosion on slope in multiple spots.

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: 09/03/2023

Pits: ☒ NO SURFACE INDICATION OF PIT

COGCC Comments

Comment	User	Date
Please refer to Equipment & Stormwater for observed compliance issues.	smelserw	08/19/2023

Attached Documents

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

Document Num	Description	URL
403502509	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6225285
708901396	Inspection 708901395 Stormwater photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6225281
708901397	Inspection 708901395 photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6225282