

**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:

708901401

FIELD INSPECTION FORMLoc ID 334961 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

3 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
257661	WELL	PR	06/01/2002	GW	045-07586	BENZEL 2-16 (L1)	PR
257662	WELL	PR	03/01/2014	GW	045-07587	BENZEL 1-13 (L1)	PR
257663	WELL	PR	06/29/2000	GW	045-07588	BENZEL 2-9 (L1)	PR

General Comment:**CECMC Inspection Report Summary**

On 08/17/2023 at approximately 11:28 hours, I, Compliance Specialist, Wayne Smelser

Conducted an on-site inspection at CAERUS PICEANCE LLC L1 Pad.

Location # 334961 in Garfield County Colorado.

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

Location is approximately 461 yards from Dry Creek.

While there, I observed normal production operations.

During this inspection the following compliance issues were observed:

1. Stormwater - Failure to maintain chemical BMP with a CA date of 08/24/2023
2. Equipment - Flowline heating insulation open ended with a CA date of 08/26/2023
3. Equipment - Open ended load lines 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	CONTAINERS		
Comment:	Chemical tank		
Corrective Action:		Date:	
Type	BATTERY		
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	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:	
Type	WEEDS		
Comment:	Small amount of weeds in secondary containment		
Corrective Action:		Date:	

Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

Comment: ☐ Multiple Spills and Releases?

Equipment:				corrective date
Type: Gas Meter Run	# 1			
Comment:	Summit Midstream			
Corrective Action:				Date:
Type: Bradenhead	# 3			
Comment:	Pressure transducers located on all bradenhead. All bradenhead valves are accessible.			
Corrective Action:				Date:
Type: Ancillary equipment	# 1			
Comment:	Chemical tank			
Corrective Action:				Date:
Type: Horizontal Heated Separator	# 3			
Comment:				
Corrective Action:				Date:
Type: Plunger Lift	# 3			
Comment:	All wells on plunger lift			
Corrective Action:				Date:
Type: Other	# 2			
Comment:	Open ended load lines			
Corrective Action:	All load lines will be capped or plugged			Date: 08/26/2023
Type: Bird Protectors	# 3			
Comment:				
Corrective Action:				Date:
Type: Other	# 1			
Comment:	Flowline heating insulation open ended			
Corrective Action:	Operators will prevent & minimize adverse impacts to wildlife resources.			Date: 08/26/2023
Type: Gas Meter Run	# 3			
Comment:				
Corrective Action:				Date:

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS	
CONDENSATE	3	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
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Inspector Name: Smelser, Wayne

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:	257661	Type:	WELL	API Number:	045-07586	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift								
Corrective Action:						Date:			
Facility ID:	257662	Type:	WELL	API Number:	045-07587	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift								
Corrective Action:						Date:			
Facility ID:	257663	Type:	WELL	API Number:	045-07588	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				
		Retention Ponds				
		Other				Mag chloride on some sections of lease road
				Material Handling And Spill Prevention	Fail	Failure to maintain chemical BMP
Compaction						
		Ditches				
		Compaction				
Berms						
		Gravel				Sparse
Gravel						Sparse in some areas
Ditches						

Comment: 1. Failure to maintain chemical BMP/chemical containment approximately 3/8 full of fluid.

Corrective Action: Operators shall implement BMPs in accordance with good engineering practices, including measures such as: Materials handling and spill prevention procedures and practices implemented for material handling and spill prevention of materials used, stored, or disposed of that could result in discharges causing pollution of surface waters.

Date: 08/24/2023

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
403502514	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6225293
708901402	Inspection 708901401 photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6225291
708901403	Inspection 708901401 Stormwater photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6225292