

**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:

08/31/2023

Submitted Date:

09/03/2023

Document Number:

708901522

FIELD INSPECTION FORMLoc ID 335358 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:

28 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
261630	WELL	PR	06/04/2002	GW	045-07970	COUEY 30-10A1 (O30NE)	PR
272414	WELL	PR	12/02/2004	GW	045-10075	COUEY 30-9 (O30NE)	PR
273477	WELL	PR	11/04/2004	GW	045-10252	COUEY 30-16 (O30NE)	PR
282075	WELL	PR	06/12/2006	GW	045-11619	COUEY 30-9C (O30NE)	PR
282076	WELL	PR	06/12/2006	GW	045-11618	COUEY 30-15B (O30NE)	PR

General Comment:**CECMC Inspection Report Summary**

On 08/31/2023 at approximately 10:54 hours, I, Compliance Specialist, Wayne Smelser

Conducted an on-site inspection at CAERUS PICEANCE LLC COUEY O30NE Pad.

Location # 335358 in Garfield County Colorado.

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. Tanks & Berms - Multiple holes in secondary containment liner/liner needs maintenance with a CA date of 09/23/2023
2. Equipment - Flowline heating insulation open ended with a CA date of 09/10/2023

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: <input type="checkbox"/>				
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	CONTAINERS			
Comment:	Chemical tank			
Corrective Action:				Date:
Type	WELLHEAD			
Comment:				
Corrective Action:				Date:
Type	TANK LABELS/PLACARDS			
Comment:	Tank labels starting to peel off on 500 bbl heated condensate 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: <input type="checkbox"/>				
Spills:				
Type	Area	Volume		
In Containment: No _____				
Comment: _____				
<input type="checkbox"/> Multiple Spills and Releases?				
Fencing/:				
Type	WELLHEAD			
Comment:	Cattle panels			

Corrective Action:		Date:	
Type	LOCATION		
Comment:	Barbed wire fence		
Corrective Action:		Date:	

Equipment:

			corrective date
Type: Other	# 1		
Comment:	Flowline heating insulation open ended		
Corrective Action:	Operators will prevent & minimize adverse impacts to wildlife resources.	Date:	09/10/2023
Type: Ancillary equipment	# 1		
Comment:	Nitrogen tank		
Corrective Action:		Date:	
Type: Gas Meter Run	# 1		
Comment:	Summit Midstream		
Corrective Action:		Date:	
Type: Plunger Lift	# 5		
Comment:	All wells on plunger lift		
Corrective Action:		Date:	
Type: Bird Protectors	# 3		
Comment:			
Corrective Action:		Date:	
Type: Ancillary equipment	# 1		
Comment:	Chemical tank		
Corrective Action:		Date:	
Type: Bradenhead	# 5		
Comment:	Pressure transducers located on all bradenhead. All bradenhead valves are accessible.		
Corrective Action:		Date:	
Type: Gas Meter Run	# 5		
Comment:			
Corrective Action:		Date:	
Type: Vertical Heated Separator	# 5		
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	Inadequate	Walls Insufficient	Base Sufficient	Inadequate		
Comment:				Multiple holes in secondary containment liner/liner needs maintenance		
Corrective Action:				The liner will be sufficiently impervious so that any discharge from a primary containment system will not escape containment before cleanup occurs.		Date: 09/23/2023
Contents	#	Capacity	Type	Tank ID	SE GPS	
CONDENSATE	1	500 BBLs	HEATED 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						
Comment:						
Corrective Action:				Date:		
Contents	#	Capacity	Type	Tank ID	SE GPS	
CONDENSATE	1	500 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						
Comment:						
Corrective Action:				Date:		
Venting:						
Yes/No	NO					
Comment:						
Corrective Action:				Date:		
Flaring:						

Type		
Comment:		
Corrective Action:		Date:

Inspected Facilities									
Facility ID:	261630	Type:	WELL	API Number:	045-07970	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift								
Corrective Action:						Date:			
Facility ID:	272414	Type:	WELL	API Number:	045-10075	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift								
Corrective Action:						Date:			
Facility ID:	273477	Type:	WELL	API Number:	045-10252	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift								
Corrective Action:						Date:			
Facility ID:	282075	Type:	WELL	API Number:	045-11619	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift								
Corrective Action:						Date:			
Facility ID:	282076	Type:	WELL	API Number:	045-11618	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
		Ditches				
Ditches						
Gravel						Sparse in some areas
Compaction						Light compaction
Berms						
		Compaction				
		Culverts				
		Gravel				Sparse in some areas

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 & Tanks & Berms for observed compliance issue.	smelserw	09/03/2023

Attached Documents

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

Document Num	Description	URL
708901523	Inspection 708901522 Stormwater photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6240660
708901524	Inspection 708901522 photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6240661