

**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:

12/28/2023

Submitted Date:

12/28/2023

Document Number:

708902630

FIELD INSPECTION FORMLoc ID 335594 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	
Arauza, Steven		steven.arauza@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
281254	WELL	PR	11/14/2006	GW	045-11414	N.PARACHUTE EF 16D H29A 595	PR
281255	WELL	PR	02/01/2014	GW	045-11415	N.PARACHUTE EF 15B H29A 595	PR
281256	WELL	PR	11/10/2005	GW	045-11416	N.PARACHUTE EF01B H29A 595	PR
281257	WELL	PR	11/24/2006	GW	045-11417	N.PARACHUTE EF16B H29A 595	PR
281258	WELL	PR	11/03/2006	GW	045-11418	N.PARACHUTE EF09B H29A 595	PR
281259	WELL	PR	11/08/2006	GW	045-11419	N. PARACHUTE EF01D H29A 595	PR
281260	WELL	PR	11/10/2005	GW	045-11420	N.PARACHUTE EF 15D H29A 59	PR
281261	WELL	PR	02/01/2014	GW	045-11421	N.PARACHUTE EF 10D H29A 595	PR

General Comment:

CECMC Inspection Report Summary

On 12/28/2023 at approximately 12:35 hours, I, Compliance Specialist, Wayne Smelser
Conducted an on-site inspection at CAERUS PICEANCE LLC N. PARACHUTE H29A 595 Pad.
Location # 335594 in Garfield County Colorado.
Location is within High Priority/Density/NSO/Black Bear Habitat areas.
Location is approximately 186 yards from East Fork Parachute Creek.
While there, I observed normal production operations.

During this inspection the following compliance issues were observed:

1. Signs/Marker - All wellhead signs on location lack required information with a CA date of 01/27/2024
2. Stormwater - Chemical containment full of fluid/failure to maintain chemical BMP & Stockpiled soils with no BMP's, soils appear to be impacted with a CA date of 12/29/2023

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	WELLHEAD		
Comment:	All wellhead signs on location lack required information		
Corrective Action:	A permanent sign will be conspicuously located at the wellhead and will identify: A. The Well name; B. The API number; and C. Its legal location, including the quarter/quarter section. When no associated Tank battery is present at the Oil and Gas Location, the following additional information is required on the Well sign: A. Name of the Operator; B. Telephone number at which the Operator can be reached at all times; C. Telephone number for local emergency services (911 where available); and D. The public road used to access the Well.	Date:	01/27/2024
Type	OTHER		
Comment:	Sign at entrance to location		
Corrective Action:		Date:	
Type	CONTAINERS		
Comment:	Chemical tanks		
Corrective Action:		Date:	
Type	BATTERY		
Comment:	No tank battery on location		
Corrective Action:		Date:	

Emergency Contact Number:

Comment: 911/970-285-2615

Corrective Action:

Date: _____

Overall Good: ☐

Spills:				
Type	Area	Volume		
In Containment:	No			
Comment:				
<input type="checkbox"/> Multiple Spills and Releases?				

Fencing/:			
Type	OTHER		
Comment:	Sales meter houses - pipe rail fence & jersey barriers		
Corrective Action:		Date:	
Type	OTHER		

Comment:	Gas lift meter houses - jersey barriers		
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:	Jersey barriers		
Corrective Action:		Date:	
Type	OTHER		
Comment:	Chemical tanks - jersey barriers		
Corrective Action:		Date:	

Equipment:

			corrective date
Type: Bradenhead	# 8		
Comment:	Taylor plugs located on all bradenhead. All bradenhead valves are accessible.		
Corrective Action:		Date:	
Type: Other	# 1		
Comment:	Telemetry		
Corrective Action:		Date:	
Type: Ancillary equipment	# 2		
Comment:	Chemical tanks		
Corrective Action:		Date:	
Type: Gas Meter Run	# 8		
Comment:	Gas lift		
Corrective Action:		Date:	
Type: Plunger Lift	# 8		
Comment:	All wells on plunger lift		
Corrective Action:		Date:	
Type: Gas Meter Run	# 8		
Comment:	Sales		
Corrective Action:		Date:	

Venting:

Yes/No	NO		
Comment:			
Corrective Action:		Date:	

Flaring:

Type			
Comment:			
Corrective Action:		Date:	

Inspected Facilities									
Facility ID:	281254	Type:	WELL	API Number:	045-11414	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift & gas lift								
Corrective Action:						Date:			
Facility ID:	281255	Type:	WELL	API Number:	045-11415	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift & gas lift								
Corrective Action:						Date:			
Facility ID:	281256	Type:	WELL	API Number:	045-11416	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift & gas lift								
Corrective Action:						Date:			
Facility ID:	281257	Type:	WELL	API Number:	045-11417	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift & gas lift								
Corrective Action:						Date:			
Facility ID:	281258	Type:	WELL	API Number:	045-11418	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift & gas lift								
Corrective Action:						Date:			
Facility ID:	281259	Type:	WELL	API Number:	045-11419	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift & gas lift								
Corrective Action:						Date:			
Facility ID:	281260	Type:	WELL	API Number:	045-11420	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift & gas lift								
Corrective Action:						Date:			
Facility ID:	281261	Type:	WELL	API Number:	045-11421	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift & gas lift								
Corrective Action:						Date:			

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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				
Berms						
				Material Handling And Spill Prevention	Fail	Failure to maintain chemical BMP
Other	Fail					Stockpiled soils with no BMP's
		Ditches				
Ditches						

Comment: 1. Chemical containment full of fluid/failure to maintain chemical BMP

At approximately 14:26 hours contacted gas control from the phone at the entry/exit gate area & spoke with Steve Robinson & advised him the the chemical tank containment was full of fluid & froze solid. Also advised him I was issuing a 24 hour corrective action on the observed compliance issue. He said he'd get on it & get it taken care of.

2. Stockpiled soils with no BMP's, soils appear to be impacted.

Contacted operator on observed stockpiles & asked if it was impacted soils. Advised they believed it was cuttings returns from drilling on the pad for enviornmental assessment. Also advised that operator has coordinated to have them removed & taken offsite for disposal.

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.

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: 12/29/2023

Pits: ☒ NO SURFACE INDICATION OF PIT

COGCC Comments

Comment	User	Date
Please refer to Signs/Marker & Stormwater for observed compliance issues.	smelserw	12/28/2023

Attached Documents

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

Document Num	Description	URL
403639644	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6375730
708902631	Inspection 708902630 Stormwater photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6375725
708902632	Inspection 708902630 photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6375726