

**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:

02/27/2024

Submitted Date:

03/01/2024

Document Number:

696205628

FIELD INSPECTION FORM

Loc ID 335781 Inspector Name: Trujillo, Aaron On-Site Inspection 2A Doc Num: _____

Status Summary:

- THIS IS A FOLLOW UP INSPECTION
- FOLLOW UP INSPECTION REQUIRED
- NO FOLLOW UP INSPECTION REQUIRED

Operator Information:

OGCC Operator Number: 10456
Name of Operator: CAERUS PICEANCE LLC
Address: 1001 17TH STREET #1600
City: DENVER State: CO Zip: 80202

Findings:

- 14 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
,		COGCC.inspections@caerusoilandgas.com	All Inspections

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
270378	WELL	PR	03/01/2019	GW	045-09541	CHEVRON 21A-17D	RI
270380	WELL	SI	06/01/2023	GW	045-09542	CHEVRON 22A-17D	RI
270382	WELL	PR	03/01/2019	GW	045-09543	CHEVRON 21C-17D	RI
335781	LOCATION	AC			-	Parachute Creek 5A	RI
446089	WELL	PR	09/19/2017	GW	045-23236	Chevron 11C-17	RI
446090	WELL	PR	03/01/2019	GW	045-23237	Chevron 22E-17	RI
446091	WELL	PR	09/23/2017	GW	045-23238	Chevron 21C-17	RI
446092	WELL	PR	09/14/2017	GW	045-23239	Chevron 11D-17	RI
446093	WELL	PR	03/01/2019	GW	045-23240	Chevron 21E-17	RI
446094	WELL	PR	09/07/2017	GW	045-23241	Chevron 21B-17	RI
446096	WELL	PR	09/13/2017	GW	045-23243	Chevron 12A-17	RI
446097	WELL	PR	09/10/2017	GW	045-23244	Chevron 22B-17	RI
446098	WELL	PR	06/01/2023	GW	045-23245	Chevron 11A-17	RI

General Comment:

On 2/27/2024, Reclamation Specialist Trujillo inspected Caerus Piceance LLC's Parachute Creek 5A Location in Garfield County, Colorado.

This inspection is a follow-up to #696205582.

The following corrective actions per the inspection have been addressed:

- Good Housekeeping
- Containment maintenance at methanol tank
- Loadlines at tanks have been capped/plugged.

The following corrective actions per inspection #696205585 remain outstanding:

- Stormwater
- Leak at the methanol tank.

Refer to the "Location", "Reclamation" and "Stormwater" sections of this inspection report for additional details.

Refer to the photo-documentation of the observed compliance issues attached to this report.

Any corrective action(s) from previous inspection that have not been addressed are still applicable.

Location

Overall Good:

Signs/Marker:			
Type	TANK LABELS/PLACARDS		
Comment:			
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:			
Corrective Action:		Date:	
Type	OTHER		
Comment:	Location		
Corrective Action:		Date:	
Type	BATTERY		
Comment:			
Corrective Action:		Date:	
Type	CONTAINERS		
Comment:			
Corrective Action:		Date:	

Emergency Contact Number:			
Comment:	970-285-2615 / 911		
Corrective Action:		Date:	

Good Housekeeping:			
Type			
Comment:	Good Housekeeping issues identified within FIR 696205582 have been addressed.		
Corrective Action:		Date:	

Overall Good:

Spills:			
Type	Area	Volume	
Methanol	WELLHEAD		
Comment:	<p>Inspection #696205582 observed that the Methanol tank at the wells on the east end of the Location was leaking; Inspector contacted Operator and provided notice of the spill. Inspection required Operator to comply with Rule 608.e by 2/6/2024.</p> <p>It was observed in this inspection that the leak at the methanol tank has not been repaired, or work has been insufficient; Leak at methanol tank has persisted.</p> <p>The original corrective action and date per inspection #696205582 has not been addressed, and remains applicable.</p>		
Corrective Action:	<p>CA Per FIR #696205582:</p> <p>Securely fasten all valves, pipes, fittings, and Production Facilities to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 608.e.</p>		Date:

In Containment: Yes

Comment:

Multiple Spills and Releases?

Fencing/:			
Type	WELLHEAD		
Comment:	Livestock panels		
Corrective Action:		Date:	
Type	SEPARATOR		
Comment:	Livestock panels & Barbed wire		
Corrective Action:		Date:	
Type	TANK BATTERY		
Comment:	Livestock panels		
Corrective Action:		Date:	

Equipment:			corrective date
Type:	#		
Comment:	<p>Inspection #696205582 observed that the secondary containment BMP at the methanol tank had filled with fluids. Inspection required Operator to maintain BMP to ensure control remains sufficient to contain a spill or release.</p> <p>It was observed in this inspection that fluids had been removed from the BMP, and the CA has been resolved.</p> <p>It is being noted however, that the leak at the methanol tank has not been repaired, resulting in fluids filling the BMP. See CA Above regarding spill.</p> <p>Continue to monitor and maintain BMP to ensure containment measure remains sufficient to contain a spill or release.</p>		
Corrective Action:		Date:	
Type:	#		
Comment:	Lines at tanks have been capped or plugged; CA per FIR 696205582 has been addressed.		
Corrective Action:		Date:	

Venting:			
Yes/No			
Comment:			
Corrective Action:		Date:	

Flaring:			
Type			
Comment:			
Corrective Action:		Date:	

Inspected Facilities

Facility ID: <u>270378</u>	Type: <u>WELL</u>	API Number: <u>045-09541</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>270380</u>	Type: <u>WELL</u>	API Number: <u>045-09542</u>	Status: <u>SI</u>	Insp. Status: <u>RI</u>
Facility ID: <u>270382</u>	Type: <u>WELL</u>	API Number: <u>045-09543</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>335781</u>	Type: <u>LOCATION</u>	API Number: <u>-</u>	Status: <u>AC</u>	Insp. Status: <u>RI</u>
Facility ID: <u>446089</u>	Type: <u>WELL</u>	API Number: <u>045-23236</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>446090</u>	Type: <u>WELL</u>	API Number: <u>045-23237</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>446091</u>	Type: <u>WELL</u>	API Number: <u>045-23238</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>446092</u>	Type: <u>WELL</u>	API Number: <u>045-23239</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>446093</u>	Type: <u>WELL</u>	API Number: <u>045-23240</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>446094</u>	Type: <u>WELL</u>	API Number: <u>045-23241</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>446096</u>	Type: <u>WELL</u>	API Number: <u>045-23243</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>446097</u>	Type: <u>WELL</u>	API Number: <u>045-23244</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>446098</u>	Type: <u>WELL</u>	API Number: <u>045-23245</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>

Reclamation - Storm Water - Pit

Interim Reclamation:

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: OTHER, RANGELAND

Comment: _____

1002 SITE PREPARATION AND STABILIZATION

1002a. FENCING _____

Comment _____

Corrective Action _____

Date _____

1002b. SOIL REMOVAL AND SEGREGATION _____

Comment _____

Corrective Action _____

Date _____

1002c. PROTECTION OF SOILS _____

Comment _____

Corrective Action _____

Date _____

1002E. SURFACE DISTURBANCE MINIMIZATION _____

Comment _____

Corrective Action _____

Date _____

1003a. Waste and Debris removed? _____

Comment _____

Corrective Action _____

Date _____

Unused or unneeded equipment onsite? _____

Comment _____

Corrective Action _____

Date _____

Pit, cellars, rat holes and other bores closed? _____

Comment _____

Corrective Action _____

Date _____

Guy line anchors marked? _____

Comment _____

Corrective Action _____

Date _____

1003b. Area no longer in use? _____ Production areas stabilized ? _____
 1003c. Compacted areas have been cross ripped? _____
 1003d. Drilling pit closed? _____ Subsidence over on drill pit? _____
 Cuttings management: _____
 1003e. Areas no longer needed for drilling or subsequent operations for have been re-vegetated to 80% of pre-existing? _____
 Production areas have been stabilized? _____ Segregated soils have been replaced? _____

RESTORATION AND REVEGETATION

Cropland

Top soil replaced _____ Recontoured _____ Perennial forage re-established _____

Non-Cropland

Top soil replaced _____ Recontoured _____ 80% Revegetation _____

1003e. INTERIM VEGETATION TRANSECT
 TRANSECT RESULTS OF DISTURBED AREA% _____
 TRANSECT RESULTS OF REFERENCE AREA% _____
 TOTAL % OF DESIRABLE VEGETATION COVER _____
 VEGETATIVE COVER _____

1003 f. Weeds Noxious weeds? _____

Comment

Corrective Action Date _____

Overall Interim Reclamation

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____ Date Final Reclamation Completed: _____

Final Land Use: OTHER, RANGELAND _____

Reminder: _____

Comment:

Well plugged _____ Pit mouse/rat holes, cellars backfilled _____

Debris removed _____ No disturbance /Location never built _____

Access Roads Regraded _____ Contoured _____ Culverts removed _____

Gravel removed _____

Location and associated production facilities reclaimed _____ Locations, facilities, roads, recontoured _____

Compaction alleviation _____ Dust and erosion control _____

Non cropland: Revegetated 80% _____ Cropland: perennial forage _____

Weeds present _____ Subsidence _____

1004.d. FINAL VEGETATION TRANSECT
 TRANSECT RESULTS OF DISTURBED AREA% _____
 TRANSECT RESULTS OF REFERENCE AREA% _____
 TOTAL % OF DESIRABLE VEGETATION COVER _____
 VEGETATIVE COVER _____

Comment:

Corrective Action: Date _____

Overall Final Reclamation _____ Well Release on Active Location Multi-Well Location

Storm Water:						
Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Comment: See "COGCC Comments" at the end of this report.						Date: _____
Corrective Action: CA Per Inspection #696205582: Install or repair required BMPs per Rule 1002.f.(2)C						
Pits: <input type="checkbox"/> NO SURFACE INDICATION OF PIT						

COGCC Comments

Comment	User	Date
<p>STORMWATER COMMENT</p> <p>Inspection #696205582 observed that stormwater and erosion control measures were missing or insufficient on the Location:</p> <p>-BMPs to stabilize the working pad surface are no longer in proper functioning condition; control measures to minimize degradation, tracking and sediment transport are inadequate.</p> <p>-Vehicle tracking control (Tracking pad) at Location entrance has not been maintained in proper functioning condition and has filled with sediment. VTC also appears to have been constructed with smooth/rounded stone, rather than coarse, crushed or angular material per good engineering practice; Unclear if tracking BMP has been lined.</p> <p>Inspection required Operator to Install or Repair required BMPs per Rule 1002.f.(2)C by 2/9/2024.</p> <p>It was observed in this inspection that, though work to address the compliance issues was evident, the corrective actions have not been completed at time of inspection:</p> <p>-BMPs to stabilize the upper (western) working pad surface appears to have been maintained; additional compaction is apparent, and potentially addition of road base material; Continue to monitor and maintain BMPs to ensure location remains stabilized. However, control measures to minimize degradation, tracking and sediment transport remain inadequate at the lower (eastern) working pad surface.</p> <p>-Vehicle Track Pad at the location entrance remains in disrepair; work to maintain BMP has not been performed.</p> <p>-Additionally, stormwater ponding has persisted on the east end of the Location, resulting in ponding around the wells. BMPs to minimize contact of stormwater with equipment and production activities are missing or insufficient, and places stormwater at risk of pollution.</p> <p>Stormwater Corrective actions per FIR #696205582 have not been completed; original CA and Date remain applicable.</p>	trujilloam	03/01/2024

Attached Documents

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

Document Num	Description	URL
696205629	Persisting leak at methanol tank	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6450035
696205630	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6450036