

**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:

03/14/2024

Submitted Date:

03/14/2024

Document Number:

708903267

FIELD INSPECTION FORM

Loc ID 335905 Inspector Name: Smelser, Wayne On-Site Inspection 2A Doc Num: _____

Status Summary:
 THIS IS A FOLLOW UP INSPECTION
 FOLLOW UP INSPECTION REQUIRED
 NO FOLLOW UP INSPECTION REQUIRED

Findings:
34 Number of Comments
3 Number of Corrective Actions
 Corrective Action Response Requested

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

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
285534	WELL	PR	10/26/2007	GW	045-12514	N. PARACHUTE EF03B19 D19A595	PR
286632	WELL	SI	10/01/2023	GW	045-12712	N. PARACHUTE EF04A D19A595	SI
286633	WELL	PR	09/07/2006	GW	045-12711	N. PARACHUTE EF08B D19A 595	PR
286634	WELL	PR	09/07/2006	GW	045-12710	N.PARACHUTE EF01B D19A 595	PR
286635	WELL	PR	12/01/2020	GW	045-12709	N. PARACHUTE EF01D D19A 595	PR
286636	WELL	PR	08/01/2019	GW	045-12708	N. PARACHUTE EF02D D19A 595	PR
286637	WELL	PR	08/01/2019	GW	045-12707	N.PARACHUTE EF02B D19A 595	PR
286638	WELL	PR	07/01/2019	GW	045-12706	N. PARACHUTE EF03C D19A 595	PR
286639	WELL	PR	02/01/2011	GW	045-12705	N. PARACHUTE EF03D D19A 595	PR
286640	WELL	PR	08/01/2019	GW	045-12704	N. PARACHUTE EF07B D19A 595	PR
286641	WELL	PR	09/11/2006	GW	045-12703	N. PARACHUTE EF01D-24 D19A 5	PR
286721	WELL	PR	09/14/2006	GW	045-12772	N. PARACHUTE EF03B D19A 595	PR

General Comment:

CECMC Inspection Report Summary

On 03/14/2024 at approximately 12:10 hours, I, Compliance Specialist, Wayne Smelser

Conducted a follow up inspection at CAERUS PICEANCE LLC N. PARACHUTE EF03B19 D19A 595 Pad.

Location # 335905 in Garfield County Colorado.

Please refer to inspection 708902605 conducted on 12/21/2023, previous corrective actions have been completed.

Location is within High Priority/Density/NSO/Black Bear Habitat areas.

Location is approximately 83 yards from East Middle Fork Parachute Creek.

While there, I observed normal production operations.

During this inspection the following compliance issues were observed:

1. Signs/Marker - Wellhead signage insufficient/signs lack required information with a CA date of 04/13/2024
2. Equipment - Mechanical Condition - Casing valve on EF03B-19 well leaking fluid & gas with a CA date of 03/15/2024
3. Stormwater - Failure to maintain chemical BMP's with a CA date of 03/17/2024

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.

Production separation equipment & production tanks located at Middlefork Station facility #'s 419757 & 470699

Location

Lease Road:			
Type	Access		
comment:			
Corrective Action		Date:	

Overall Good:

Signs/Marker:			
Type	WELLHEAD		
Comment:	All wellhead signs on location insufficient/lack required information		
Corrective Action:	Comply with CECMC signage rules	Date:	04/13/2024
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:

Multiple Spills and Releases?

Fencing/:			
Type	WELLHEAD		
Comment:	Jersey barriers		
Corrective Action:		Date:	
Type	OTHER		
Comment:	Meter houses - Jersey barriers		
Corrective Action:		Date:	
Type	OTHER		
Comment:	Chemical tanks - Jersey barriers		
Corrective Action:		Date:	

Equipment:			corrective date
Type: Other	# 1		
Comment:	Telemetry		
Corrective Action:		Date:	
Type: Other	# 1		
Comment:	<p>Mechanical Condition - Casing valve on EF03B-19 well leaking fluid & gas</p> <p>At approximately 12:22 hours observed fluid & gas leaking from casing valve. Caerus lease operator was on nearby pad so I informed him of the leak & then showed him which wellhead. He said he'd try & find the part he needed & work on getting it fixed. I then left location & drove back to the main gate to use the phone. At approximately 12:46 hours I called Caerus gas control & spoke with Jack Barnes & informed him of the observed compliance issue & that I was issuing a 24 hour corrective action on it. I also informed him that I had spoken to lease operator Arnie Hubble about the issue as well.</p>		
Corrective Action:	All Production Facilities, valves, pipes, fittings, and vessels will be securely fastened or sealed, inspected at regular intervals, and maintained in good mechanical condition.		Date: 03/15/2024
Type: Gas Meter Run	# 12		
Comment:	Gas lift		
Corrective Action:		Date:	
Type: Plunger Lift	# 12		
Comment:	All wells on plunger lift		
Corrective Action:		Date:	
Type: Bradenhead	# 12		
Comment:	<p>Taylor plugs located on all bradenhead. All bradenhead valves are accessible.</p> <p>N. PARACHUTE EF03B19 well bradenhead tied into flow line, please refer to document # 400462093</p>		
Corrective Action:		Date:	
Type: Gas Meter Run	# 12		
Comment:	Sales		
Corrective Action:		Date:	
Type: Ancillary equipment	# 3		
Comment:	Chemical tanks		
Corrective Action:		Date:	

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

Flaring:			
Type			
Comment:			
Corrective Action:		Date:	

Inspected Facilities									
Facility ID:	285534	Type:	WELL	API Number:	045-12514	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger & gas lift								
Corrective Action:					Date:				
Facility ID:	286632	Type:	WELL	API Number:	045-12712	Status:	SI	Insp. Status:	SI
Producing Well									
Comment:	Producing, well on plunger & gas lift								
Corrective Action:					Date:				
Facility ID:	286633	Type:	WELL	API Number:	045-12711	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger & gas lift								
Corrective Action:					Date:				
Facility ID:	286634	Type:	WELL	API Number:	045-12710	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger & gas lift								
Corrective Action:					Date:				
Facility ID:	286635	Type:	WELL	API Number:	045-12709	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger & gas lift								
Corrective Action:					Date:				
Facility ID:	286636	Type:	WELL	API Number:	045-12708	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger & gas lift								
Corrective Action:					Date:				
Facility ID:	286637	Type:	WELL	API Number:	045-12707	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger & gas lift								
Corrective Action:					Date:				
Facility ID:	286638	Type:	WELL	API Number:	045-12706	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger & gas lift								
Corrective Action:					Date:				

Facility ID: <u>286639</u>	Type: <u>WELL</u>	API Number: <u>045-12705</u>	Status: <u>PR</u>	Insp. Status: <u>PR</u>
<u>Producing Well</u>				
Comment:	<u>Producing, well on plunger & gas lift</u>			
Corrective Action:			Date:	
Facility ID: <u>286640</u>	Type: <u>WELL</u>	API Number: <u>045-12704</u>	Status: <u>PR</u>	Insp. Status: <u>PR</u>
<u>Producing Well</u>				
Comment:	<u>Producing, well on plunger & gas lift</u>			
Corrective Action:			Date:	
Facility ID: <u>286641</u>	Type: <u>WELL</u>	API Number: <u>045-12703</u>	Status: <u>PR</u>	Insp. Status: <u>PR</u>
<u>Producing Well</u>				
Comment:	<u>Producing, well on plunger & gas lift</u>			
Corrective Action:			Date:	
Facility ID: <u>286721</u>	Type: <u>WELL</u>	API Number: <u>045-12772</u>	Status: <u>PR</u>	Insp. Status: <u>PR</u>
<u>Producing Well</u>				
Comment:	<u>Producing, well on plunger & gas lift</u>			
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
Compaction						Light compaction in some areas
		Compaction				
		Ditches				
Berms						
Gravel						Sparse to none in some areas
		Culverts				
				Material Handling And Spill Prevention	Fail	Failure to maintain chemical BMP's
		Gravel				Sparse to none in sections

Comment: 1. One Chemical containment approximately 3/4th full of fluid/Failure to maintain chemical BMP/BMP insufficient to contain possible spill. Second chemical containment approximately 5/8th to 3/4th full of fluid/Failure to maintain chemical BMP/BMP insufficient to contain possible spill.

Corrective Action: **Comply with CECMC Stormwater rules**

Date: 03/17/2024

Pits: NO SURFACE INDICATION OF PIT

COGCC Comments

Comment	User	Date
Please refer to Signs/Marker, Equipment & Stormwater for observed compliance issues. Production separation equipment & production tanks located at Middlefork Station facility #s 419757 & 470699	smelserw	03/14/2024

Attached Documents

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

Document Num	Description	URL
708903268	Inspection 708903267 Video	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6467939
708903269	Inspection 708903267 Stormwater photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6467940
708903270	Inspection 708903267 photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6467941