

**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:

03/21/2024

Submitted Date:

03/25/2024

Document Number:

708903378

FIELD INSPECTION FORM

Loc ID: 334637
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

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

Findings:
26 Number of Comments
5 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@caerusoilandgas.com | |
| Toews, Wesley | | wtoews@blm.gov | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|-------------------|-------------|
| 211405 | WELL | PR | 10/01/1999 | GW | 045-07165 | SAVAGE 1-13 | PR |
| 270054 | WELL | PR | 04/01/2023 | GW | 045-09443 | SAVAGE 1-6B (RBI) | PR |
| 270056 | WELL | PR | 12/14/2004 | GW | 045-09444 | SAVAGE 1-7A (RB1) | PR |

General Comment:

[CECMC Inspection Report Summary](#)
On 03/21/2024 at approximately 12:47 hours, I, Compliance Specialist, Wayne Smelser Conducted an on-site inspection at CAERUS PICEANCE LLC SAVAGE 1-13 (RB1) Pad. Location # 334637 in Garfield County Colorado. Location is within High Priority/Density/Black Bear Habitat areas & in close proximity to NSO Habitat area. Location is within Rule 411a Surface Water Internal Buffer. Location is approximately 274 yards from Beaver Creek. While there, I observed normal production operations.

During this inspection the following compliance issues were observed:

1. Signs/Marker - Tank battery sign lacks required information with a CA date of 04/24/2024
2. Signs/Marker - Methanol tank improperly labeled/lacks required information with a CA date of 04/24/2024
3. Equipment - Open ended load line with a CA date of 04/01/2024
4. Equipment - PRV vent line lacks cap/does not comply with CECMC pressure safety device rules with a CA date of 04/01/2024
5. Equipment - Unmarked deadman with a CA date of 04/08/2024

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.

Any corrective actions from previous inspections that have not been addressed are still applicable.

Location

| | | | |
|--------------------|-------------|--|-------|
| Lease Road: | | | |
| | Type Access | | |
| comment: | | | |
| Corrective ActionL | | | Date: |

Overall Good:

| | | | |
|----------------------|--|--|------------------|
| Signs/Marker: | | | |
| | Type WELLHEAD | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| | Type BATTERY | | |
| Comment: | Battery sign lacks required information | | |
| Corrective Action: | Comply with CECMC tank battery signage rules | | Date: 04/24/2024 |
| | 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 OTHER | | |
| Comment: | Sign at entrance to location | | |
| Corrective Action: | | | Date: |
| | Type TANK LABELS/PLACARDS | | |
| Comment: | Methanol tank improperly labeled/lacks required information | | |
| Corrective Action: | Comply with CECMC tank labeling rules | | Date: 04/24/2024 |

| | | | |
|----------------------------------|---------------------------|--|-------------|
| 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: | Summit Midstream meter houses - bollards & pipe rail fence | | |
| Corrective Action: | | | Date: |

| | | | |
|---------------------------------|-----|--|-----------------|
| Equipment: | | | corrective date |
| Type: Vertical Heated Separator | # 3 | | |
| Comment: | | | |

| | | | |
|--------------------------|--|-------|------------------|
| Corrective Action: | | Date: | |
| Type: Bird Protectors | # 1 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Other | # 1 | | |
| Comment: | PRV vent line lacks cap/does not comply with CECMC pressure safety device rules | | |
| Corrective Action: | Comply with CECMC pressure safety device rules | | Date: 04/01/2024 |
| Type: Gas Meter Run | # 3 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Deadman # & Marked | # 1 | | |
| Comment: | 1 unmarked deadman | | |
| Corrective Action: | All guy line anchors left buried for future use will be identified by a marker of bright color not less than 4 feet in height and not greater than 1 foot east of the guy line anchor. | | Date: 04/08/2024 |
| Type: Other | # 1 | | |
| Comment: | Open ended load line | | |
| Corrective Action: | All load lines will be capped or plugged | | Date: 04/01/2024 |
| Type: Bradenhead | # 3 | | |
| Comment: | Pressure transducers located on all bradenhead. All bradenhead valves are accessible. | | |
| Corrective Action: | | Date: | |
| Type: Plunger Lift | # 3 | | |
| Comment: | All wells on plunger lift | | |
| Corrective Action: | | Date: | |
| Type: Gas Meter Run | # 3 | | |
| Comment: | Summit Midstream | | |
| Corrective Action: | | Date: | |

Tanks and Berms:

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|---|----------|-----------|---------|--------|
| METHANOL | 1 | 1000 GAL | STEEL AST | | |
| Comment: | | | | | |
| Corrective Action: | | | | | Date: |

Paint

| | |
|------------------|----------|
| Condition | Adequate |
| Other (Content) | |
| Other (Capacity) | |
| Other (Type) | |

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|----------|-------------------------|---------------------|---------------------|-------------|
| Metal | Adequate | Walls Sufficient | | |
| Comment: | Centralized containment | | | |

| | | | | | |
|--------------------|---|----------|-----------|---------|--------|
| Corrective Action: | | | | | Date: |
| Contents | # | Capacity | Type | Tank ID | SE GPS |
| METHANOL | 1 | <50 BBLs | STEEL AST | | , |
| Comment: | | | | | |
| Corrective Action: | | | | | Date: |

Paint

| | |
|------------------|----------|
| Condition | Adequate |
| Other (Content) | |
| Other (Capacity) | 500 gal |
| Other (Type) | |

Berms

| | | | | |
|---|----------|---------------------|---------------------|-------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Metal | Adequate | Walls Sufficient | | |
| Comment: Separate containment | | | | |
| Corrective Action: | | | | Date: |

| | | | | | |
|--|---|----------|-----------|---------|--------|
| Contents | # | Capacity | Type | Tank ID | SE GPS |
| CONDENSATE | 2 | 500 BBLs | STEEL AST | | , |
| Comment: Tanks equipped with telemetry | | | | | |
| Corrective Action: | | | | | Date: |

Paint

| | |
|------------------|----------|
| Condition | Adequate |
| Other (Content) | |
| Other (Capacity) | |
| Other (Type) | |

Berms

| | | | | |
|--|----------|---------------------|---------------------|-------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Metal | Adequate | Walls Sufficient | | |
| Comment: Centralized containment | | | | |
| Corrective Action: | | | | Date: |

Venting:

| | |
|--------------------|-------|
| Yes/No | NO |
| Comment: | |
| Corrective Action: | Date: |

Flaring:

| | |
|--------------------|-------|
| Type | |
| Comment: | |
| Corrective Action: | Date: |

| Inspected Facilities | | | |
|----------------------------|--|------------------------------|---|
| Facility ID: <u>211405</u> | Type: <u>WELL</u> | API Number: <u>045-07165</u> | Status: <u>PR</u> Insp. Status: <u>PR</u> |
| Producing Well | | | |
| Comment: | <u>Producing, well on plunger lift</u> | | |
| Corrective Action: | | Date: | |
| Facility ID: <u>270054</u> | Type: <u>WELL</u> | API Number: <u>045-09443</u> | Status: <u>PR</u> Insp. Status: <u>PR</u> |
| Producing Well | | | |
| Comment: | <u>Producing, well on plunger lift</u> | | |
| Corrective Action: | | Date: | |
| Facility ID: <u>270056</u> | Type: <u>WELL</u> | API Number: <u>045-09444</u> | Status: <u>PR</u> Insp. Status: <u>PR</u> |
| Producing Well | | | |
| Comment: | <u>Producing, well on plunger 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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------------------------------|
| Ditches | | | | | | |
| Gravel | | | | | | Sparse to none |
| | | Culverts | | | | |
| | | Gravel | | | | Sparse to none |
| Berms | | | | | | |
| | | Ditches | | | | |
| Compaction | | | | | | Light compaction in some areas |
| | | Compaction | | | | Light compaction in small areas |

Comment: Places with sparse to no gravel & light compaction are present on location. Sparse/no 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 Signs/Marker & Equipment for observed compliance issues. | smelserw | 03/25/2024 |
| Any corrective actions from previous inspections that have not been addressed are still applicable. | | |

Attached Documents

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

| Document Num | Description | URL |
|--------------|---|---|
| 708903380 | Inspection 708903378 Stormwater photo log | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6480980 |
| 708903381 | Inspection 708903378 photo log | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6480981 |