

**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:

04/01/2024

Submitted Date:

04/02/2024

Document Number:

708903436

FIELD INSPECTION FORM

Loc ID 334698 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:

- 21 Number of Comments
- 1 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 |
|---------------|-------|---------------------------------------|---------|
| Toews, Wesley | | wtoews@blm.gov | |
| , Caerus | | COGCC.inspections@caerusoilandgas.com | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|----------------|-------------|
| 211453 | WELL | PR | 10/01/2023 | GW | 045-07213 | YOUBERG 2-33 | PR |
| 269861 | WELL | PR | 10/01/2023 | GW | 045-09415 | YOUBERG 2-23D | PR |
| 269862 | WELL | PR | 08/20/2004 | GW | 045-09414 | YOUBERG 2-333D | PR |
| 269874 | WELL | PR | 08/21/2004 | GW | 045-09419 | YOUBERG 2-342D | PR |

General Comment:

[CECMC Inspection Report Summary](#)
On 04/01/2024 at approximately 13:06 hours, I, Compliance Specialist, Wayne Smelser Conducted a follow up inspection at CAERUS PICEANCE LLC YOUBERG 2-33 (RJ2) Pad. Location # 334698 in Garfield County Colorado.
Please refer to inspection 708901749 conducted on 09/19/2023, previous corrective actions have been completed. Location is within High Priority/Density/Black Bear Habitat areas & in close proximity to NSO Habitat area. Location is approximately 190 yards from Porcupine Creek. While there, I observed normal production operations.

During this inspection the following compliance issues were observed:

- Tanks & Berms - Multiple holes in secondary containment liner with a CA date of 04/22/2024

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.

Location

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

Overall Good:

| | | | |
|----------------------|--|--|-------|
| 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 | OTHER | | |
| Comment: | Sign at entrance to location | | |
| Corrective Action: | | | Date: |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type | WELLHEAD | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type | BATTERY | | |
| Comment: | | | |
| 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 | LOCATION | | |
| Comment: | Barbed wire Fencing showing small signs of disrepair in some areas | | |
| Corrective Action: | | | Date: |

| | | | |
|-------------------|-----|--|-----------------|
| Equipment: | | | corrective date |
| Type: Bradenhead | # 4 | | |

| | | | | | |
|---------------------------------|---|--|--|-------|--|
| Comment: | Pressure transducers located on all bradenhead. All bradenhead valves are accessible. | | | Date: | |
| Corrective Action: | | | | Date: | |
| Type: Bird Protectors | # 1 | | | | |
| Comment: | | | | Date: | |
| Corrective Action: | | | | Date: | |
| Type: Vertical Heated Separator | # 4 | | | | |
| Comment: | | | | Date: | |
| Corrective Action: | | | | Date: | |
| Type: Gas Meter Run | # 4 | | | | |
| Comment: | Summit Midstream | | | Date: | |
| Corrective Action: | | | | Date: | |
| Type: Deadman # & Marked | # 2 | | | | |
| Comment: | Marked | | | Date: | |
| Corrective Action: | | | | Date: | |
| Type: Plunger Lift | # 4 | | | | |
| Comment: | All wells on plunger lift | | | Date: | |
| Corrective Action: | | | | Date: | |

Tanks and Berms:

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|---|----------|-----------|---------|--------|
| CONDENSATE | 1 | 500 BBLs | STEEL AST | | |
| Comment: | Tank equipped with telemetry 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 | | Inadequate |
| Comment: | Multiple holes in secondary containment liner/liner needs maintenance Appears holes observed during previous inspection have been patched, however more holes observed during this inspection. Liner is showing signs of deterioration in multiple areas. | | | |
| 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: 04/22/2024 |

| 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 | | | | |
| 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>211453</u> | Type: <u>WELL</u> | API Number: <u>045-07213</u> | Status: <u>PR</u> | Insp. Status: <u>PR</u> |
| Producing Well | | | | |
| Comment: <u>Producing, well on plunger lift</u> | | | | |
| Corrective Action: | | | | Date: <u> </u> |
| Facility ID: <u>269861</u> | Type: <u>WELL</u> | API Number: <u>045-09415</u> | Status: <u>PR</u> | Insp. Status: <u>PR</u> |
| Producing Well | | | | |
| Comment: <u>Producing, well on plunger lift</u> | | | | |
| Corrective Action: | | | | Date: <u> </u> |
| Facility ID: <u>269862</u> | Type: <u>WELL</u> | API Number: <u>045-09414</u> | Status: <u>PR</u> | Insp. Status: <u>PR</u> |
| Producing Well | | | | |
| Comment: <u>Producing, well on plunger lift</u> | | | | |
| Corrective Action: | | | | Date: <u> </u> |
| Facility ID: <u>269874</u> | Type: <u>WELL</u> | API Number: <u>045-09419</u> | Status: <u>PR</u> | Insp. Status: <u>PR</u> |
| Producing Well | | | | |
| Comment: <u>Producing, well on plunger lift</u> | | | | |
| Corrective Action: | | | | Date: <u> </u> |
| BradenHead | | | | |
| Date of Last Brhd Test: <u>10/26/2023</u> | Annual Brhd Completed? <u> </u> | | | |
| Last Brhd Test Results | Initial Surf Csg Pressure: <u>451</u> | Fluid Type: <u>GAS</u> | | |
| | End Surf Csg Pressure: <u>1</u> | | | |
| Comment: <u>Please refer to FORM 4 SUNDRY document # 403728312</u> | | | | |
| Corrective Action: | | | | Date: <u> </u> |

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 | | | | |
| | | Culverts | | | | |
| Gravel | | | | | | Sparse in some areas |
| | | Gravel | | | | Sparse in sections |
| Compaction | | | | | | Light compaction in some areas |
| | | Rip Rap | | | | |
| | | Ditches | | | | |

Comment:

Corrective Action:

Date: _____

Pits: NO SURFACE INDICATION OF PIT

COGCC Comments

| Comment | User | Date |
|--|----------|------------|
| Please refer to Tanks & Berms for observed compliance issue. | smelserw | 04/02/2024 |

Attached Documents

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

| Document Num | Description | URL |
|--------------|---|---|
| 403740537 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6492189 |
| 708903437 | Inspection 708903436 photo log | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6492184 |
| 708903438 | Inspection 708903436 Stormwater photo log | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6492185 |