

**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:

05/09/2024

Submitted Date:

05/09/2024

Document Number:

708903737

FIELD INSPECTION FORMLoc ID 334085 Inspector Name: Smelser, Wayne On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**

ECMC 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:

41 Number of Comments

4 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@caerus oilandgas.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
271023	WELL	PR	08/01/2020	GW	045-09827	S.PARACHUTE FEDERAL 31-22	PR
277612	WELL	PR	08/01/2020	GW	045-10730	FEDERAL 31-11BB (PF31)	PR
277613	WELL	PR	09/01/2020	GW	045-10731	FEDERAL 31-11 (PF31)	PR
277615	WELL	SI	06/01/2023	GW	045-10733	FEDERAL 31-7 (PF31)	SI
422180	WELL	PR	08/01/2020	GW	045-20513	Federal 31-11A (PF31)	PR
422181	WELL	PR	10/01/2019	GW	045-20514	Federal 31-7A (PF31)	PR
422182	WELL	PR	09/01/2020	GW	045-20515	Federal 31-5AA (PF31)	PR
422183	WELL	PR	08/01/2020	GW	045-20516	Federal 31-2C (PF31)	PR
422184	WELL	PR	08/01/2020	GW	045-20517	Federal 31-5A (PF31)	PR
422185	WELL	PR	08/01/2020	GW	045-20518	Federal 31-4D (PF31)	PR
422189	WELL	PR	09/01/2020	GW	045-20521	Federal 31-7B (PF31)	PR

General Comment:

CECMC Inspection Report Summary

On 05/09/2024 at approximately 12:04 hours, I, Compliance Specialist, Wayne Smelser

Conducted a follow up inspection at CAERUS PICEANCE LLC S. PARACHUTE FEDERAL PF-31 Pad.

Location # 334085 in Garfield County Colorado.

Please refer to inspection 708301392 conducted on 12/12/2023, previous corrective action has been completed.

Location is within Black Bear Habitat area & in close proximity to High Priority/Density Habitat areas.

While there, I observed normal production operations.

During this inspection the following compliance issues were observed:

1. Signs/Marker - Tank battery lacks required signage with a CA date of 06/08/2024
2. Housekeeping - Unused equipment on location with a CA date of 06/08/2024
3. Equipment - Flowline heating insulation open ended/wildlife hazard/available for entry by wildlife with a CA date of 05/16/2024
4. Stormwater - Stockpiled soils on location with no BMP's with a CA date of 05/24/2024

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	L	Date:	
Overall Good: <input type="checkbox"/>			
Signs/Marker:			
Type	TANK LABELS/PLACARDS		
Comment:	Inaccurate info on methanol tank labeling/does not comply with CECMC rules		
Corrective Action:		Date:	
Type	OTHER		
Comment:	H2S sign at entrance to location		
Corrective Action:		Date:	
Type	BATTERY		
Comment:	Tank battery lacks required signage		
Corrective Action:	Comply with CECMC tank battery signage rules	Date:	06/08/2024
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	CONTAINERS		
Comment:	Chemical tanks		
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:			
Corrective Action:		Date:	
Emergency Contact Number:			
Comment:	911/970-285-2615		
Corrective Action:		Date:	
Good Housekeeping:			
Type	WEEDS		
Comment:	Small amount of weeds in secondary containment		
Corrective Action:		Date:	
Type	OTHER		
Comment:	Small amount of stained gravel in secondary containment, near pig station & near some wellheads		
Corrective Action:		Date:	

Type	UNUSED EQUIPMENT			
Comment:	Unused equipment - unused chemical tank & containment on location			
Corrective Action:	The storage or placement of equipment and supplies not necessary for use on location is prohibited.		Date:	06/08/2024
Type	DEBRIS			
Comment:	Debris - please refer to photo log			
Corrective Action:			Date:	

Overall Good: ☐

Spills:				
Type	Area	Volume		

In Containment: No

Comment: ☐ Multiple Spills and Releases?

Fencing/:			
Type	LOCATION		
Comment:	Barbed wire fence		
Corrective Action:		Date:	
Type	OTHER		
Comment:	Pig station & 1 chemical tank - pipe rail fence		
Corrective Action:		Date:	

Equipment:			corrective date
Type: Bird Protectors	# 4		
Comment:			
Corrective Action:		Date:	
Type: Pig Station	# 1		
Comment:			
Corrective Action:		Date:	
Type: Emission Control Device	# 1		
Comment:			
Corrective Action:		Date:	
Type: Vertical Heated Separator	# 12		
Comment:			
Corrective Action:		Date:	
Type: Other	# 1		
Comment:	Flowline heating insulation open ended/wildlife hazard/available for entry by wildlife		
Corrective Action:	Comply with CECMC wildlife rules		Date: 05/16/2024
Type: Bradenhead	# 11		
Comment:	Pressure transducers located on all bradenhead. All bradenhead valves are accessible.		
Corrective Action:		Date:	
Type: Gas Meter Run	# 4		

Comment:	Possible gas lift meters & meter house, does not appear to be in use		Date:	
Corrective Action:			Date:	
Type: Gas Meter Run	# 12			
Comment:			Date:	
Corrective Action:			Date:	
Type: Ancillary equipment	# 8			
Comment:	Chemical tanks		Date:	
	1 chemical tank & containment are unused equipment, please refer to Housekeeping for CA			
Corrective Action:			Date:	
Type: Gas Meter Run	# 1			
Comment:	Summit Midstream		Date:	
Corrective Action:			Date:	
Type: Plunger Lift	# 11			
Comment:	All wells on plunger lift		Date:	
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
CONDENSATE	6	300 BBLS	STEEL AST		,
Comment:	Tanks equipped with telemetry				
Corrective Action:				Date:	

Paint

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

Inspected Facilities				
Facility ID: 271023	Type: WELL	API Number: 045-09827	Status: PR	Insp. Status: PR
Producing Well				
Comment: Producing, well on plunger lift				
Corrective Action:		Date:		
The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12				
Facility ID: 277612	Type: WELL	API Number: 045-10730	Status: PR	Insp. Status: PR
Producing Well				
Comment: Producing, well on plunger lift				
Corrective Action:		Date:		
The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12				
Facility ID: 277613	Type: WELL	API Number: 045-10731	Status: PR	Insp. Status: PR
Producing Well				
Comment: Producing, well on plunger lift				
Corrective Action:		Date:		
The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12				
Facility ID: 277615	Type: WELL	API Number: 045-10733	Status: SI	Insp. Status: SI
Idle Well				
Purpose: <input checked="" type="checkbox"/> Shut In <input type="checkbox"/> Temporarily Abandoned Reminder: _____				
Comment: Shut In Last produced May 2023				
Corrective Action:		Date:		
The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12				
Facility ID: 422180	Type: WELL	API Number: 045-20513	Status: PR	Insp. Status: PR
Producing Well				
Comment: Producing, well on plunger lift				
Corrective Action:		Date:		
The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12				
Facility ID: 422181	Type: WELL	API Number: 045-20514	Status: PR	Insp. Status: PR
Producing Well				
Comment: Producing, well on plunger lift				
Corrective Action:		Date:		
The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12				
Facility ID: 422182	Type: WELL	API Number: 045-20515	Status: PR	Insp. Status: PR
Producing Well				
Comment: Producing, well on plunger lift				
Corrective Action:		Date:		

The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

Facility ID: 422183

Type: WELL

API Number: 045-20516

Status: PR

Insp. Status: PR

Producing Well

Comment: Producing, well on plunger lift

Corrective Action:

Date:

The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

Facility ID: 422184

Type: WELL

API Number: 045-20517

Status: PR

Insp. Status: PR

Producing Well

Comment: Producing, well on plunger lift

Corrective Action:

Date:

The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

Facility ID: 422185

Type: WELL

API Number: 045-20518

Status: PR

Insp. Status: PR

Producing Well

Comment: Producing, well on plunger lift

Corrective Action:

Date:

The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

Facility ID: 422189

Type: WELL

API Number: 045-20521

Status: PR

Insp. Status: PR

Producing Well

Comment: Producing, well on plunger lift

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
		Culverts				
Compaction						Light compaction in some areas
Culverts						
		Gravel				Sparse to none in sections
Retention Ponds						
Gravel						Sparse to none in areas
		Ditches				
Other	Fail					Stockpiled soils with no BMP's
Rip Rap						
		Compaction				
				Material Handling And Spill Prevention		Chemical tank containments
Sediment Traps						
Berms						

Comment: 1. Stockpiled soils on location with no BMP's

*** Some fluid in multiple chemical tank containments, may need maintenance in the near future.

*** 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: **Comply with CECMC Stormwater rules**

Date: 05/24/2024

Pits: ☒ NO SURFACE INDICATION OF PIT**ECMC Comments**

Comment	User	Date
Please refer to Signs/Marker, Housekeeping, Equipment & Stormwater for observed compliance issues.	smelserw	05/09/2024

Attached DocumentsYou can go to ECMC Images (<https://ecmc.state.co.us/weblink/>) and search by document number:

Document Num	Description	URL
708903738	Inspection 708903737 Stormwater photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6542854
708903739	Inspection 708903737 photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6542855