

**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:

06/06/2024

Submitted Date:

06/09/2024

Document Number:

708904015

FIELD INSPECTION FORMLoc ID 334830 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:

24 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
, Caerus		COGCC.inspections@caerus oilandgas.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
211428	WELL	PR	09/22/1997	GW	045-07188	GRAHAM 32-12	PR
265591	WELL	PR	10/09/2008	GW	045-09029	GRAHAM 32-12D (L32)	PR
265593	WELL	PR	06/18/2003	GW	045-09028	GRAHAM 32-12B (L32)	PR
265594	WELL	PR	06/16/2003	GW	045-09031	SHIDELER 32-11D (L32)	PR
265595	WELL	PR	06/15/2003	GW	045-09032	COUEY 31-9D (L32)	PR

General Comment:**CECMC Inspection Report Summary**

On 06/06/2024 at approximately 11:47 hours, I, Compliance Specialist, Wayne Smelser
Conducted an on-site inspection at CAERUS PICEANCE LLC GRAHAM 32-12 (L32) pad.
Location # 334830 in Garfield County Colorado.
Location is within High Priority/Density/Black Bear Habitat areas.
While there, I observed normal production operations.

During this inspection the following compliance issues were observed:

1. Fencing - Barbed wire fence along lease road needs maintenance/wildlife hazard with a CA date of 06/16/2024
2. Tanks & Berms - Multiple holes in secondary containment liner/liner needs maintenance with a CA date of 06/29/2024

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	TANK LABELS/PLACARDS		
Comment:			
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:			
Corrective Action:		Date:	
Type	OTHER		
Comment:	Sign at intersection of Hunter Mesa Road & lease road		
Corrective Action:		Date:	
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	BATTERY		
Comment:			
Corrective Action:		Date:	

Emergency Contact Number:

Comment:	911/970-285-2615	
Corrective Action:		Date: _____

Good Housekeeping:

Type	DEBRIS		
Comment:	Debris - please refer to photo log		
Corrective Action:		Date:	
Type	WEEDS		
Comment:	Small amount of weeds in secondary containment & near wellheads		
Corrective Action:		Date:	

Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

Comment: ☐ Multiple Spills and Releases?

Fencing/:			
Type	WELLHEAD		
Comment:	Cattle panels		
Corrective Action:		Date:	
Type	SEPARATOR		
Comment:	Cattle panels		
Corrective Action:		Date:	
Type	OTHER		
Comment:	Barbed wire fencing on both sides of lease road Barbed wire fence needs maintenance in multiple sections along lease road. Barbed wire laying on the ground & in vegetation/wildlife hazard		
Corrective Action:	Comply with CECMC wildlife rules	Date:	06/16/2024

Equipment:			corrective date
Type: Vertical Heated Separator	# 5		
Comment:			
Corrective Action:		Date:	
Type: Bradenhead	# 5		
Comment:	Pressure transducers located on all bradenhead, bradenhead valves are accessible.		
Corrective Action:		Date:	
Type: Gas Meter Run	# 1		
Comment:	Summit Midstream		
Corrective Action:		Date:	
Type: Bird Protectors	# 3		
Comment:			
Corrective Action:		Date:	
Type: Plunger Lift	# 5		
Comment:	All wells on plunger lift		
Corrective Action:		Date:	
Type: Horizontal Heated Separator	# 1		
Comment:			
Corrective Action:		Date:	
Type: Gas Meter Run	# 6		
Comment:			
Corrective Action:		Date:	

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS	
CONDENSATE	1	300 BBLS	STEEL AST		,	
Comment:	Tank equipped with telemetry					
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:	Mutiple holes in secondary containment liner/liner needs maintenance Liner also 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:	06/29/2024

Venting:

Yes/No	NO		
Comment:			
Corrective Action:		Date:	

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Inspected Facilities									
Facility ID:	211428	Type:	WELL	API Number:	045-07188	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:	265591	Type:	WELL	API Number:	045-09029	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:	265593	Type:	WELL	API Number:	045-09028	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:	265594	Type:	WELL	API Number:	045-09031	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:	265595	Type:	WELL	API Number:	045-09032	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									

Reclamation - Storm Water - Pit

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Rip Rap						
		Culverts				
		Rip Rap				
		Ditches				
Berms						
		Compaction				
		Gravel				Sparse to none in sections
Compaction	Fail					Lack of stabilization/compaction on location
Gravel						Gravel insufficient

Comment: 1. Lack of stabilization/compaction on location

Corrective Action:

Date:

Pits: ☒ NO SURFACE INDICATION OF PIT

ECMC Comments

Comment	User	Date
Please refer to Fencing & Tank & Berms for corrective actions & please also refer to Housekeeping & Stormwater for additional comments.	smelserw	06/09/2024

Attached Documents

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

Document Num	Description	URL
403818340	INSPECTION SUBMITTED	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6579821
708904016	Inspection 708904015 photo log	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6579819
708904017	Inspection 708904015 Stormwater photo log	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6579820