

**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:

08/29/2024

Submitted Date:

09/01/2024

Document Number:

708904464

FIELD INSPECTION FORMLoc ID 334069 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:

45 Number of Comments

3 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	
Toews, Wesley		wtoews@blm.gov	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
262866	WELL	PR	09/17/2002	GW	045-08064	SHIDLER 1-7 (G1)	PR
268506	WELL	PR	07/08/2004	GW	045-09268	HMU 1-6D (G1)	PR
282079	WELL	PR	08/25/2006	GW	045-11633	SHIDLER FEDERAL 1-9 (G1SW)	PR
282080	WELL	PR	08/26/2006	GW	045-11632	SHIDLER FEDERAL 1-2C (G1SW)	PR
282081	WELL	PR	07/21/2006	GW	045-11631	SHIDLER 1-1C (G1SW)	PR

General Comment:**CECMC Inspection Report Summary**

On 08/29/2024 at approximately 09:22 hours, I, Compliance Specialist, Wayne Smelser Conducted an on-site inspection at CAERUS PICEANCE LLC SHIDLER 1-7 (G1SW) Pad. Location # 334069 in Garfield County Colorado. Location is within Black Bear Habitat area & in close proximity to High Priority/NSO Habitat areas. Location is approximately 500 yards from Middle Mamm Creek. While there, I observed normal production operations.

During this inspection the following compliance issues were observed:

1. Equipment - Open ended load line with a CA date of 09/08/2024
2. Equipment - PRV vent line does not comply with CECMC pressure safety device rules 09/08/2024
3. Stormwater - Failure to maintain chemical BMP's with a CA date of 09/16/2024

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: ☐

Signs/Marker:			
Type	OTHER		
Comment:	Location sign laying on ground - please refer to photo log		
Corrective Action:		Date:	
Type	TANK LABELS/PLACARDS		
Comment:			
Corrective Action:		Date:	
Type	BATTERY		
Comment:	1 tank battery lacks signage - please refer to photo log		
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:	Wellhead signs located at separators		
Corrective Action:		Date:	
Type	CONTAINERS		
Comment:	Chemical tanks		
Corrective Action:		Date:	
Type	OTHER		
Comment:	Sign at start of 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:	

Emergency Contact Number:

Comment: 911/970-285-2615

Corrective Action:

Date: _____

Good Housekeeping:

Type	DEBRIS		
Comment:	Small amount of debris on location - please refer to photo log		
Corrective Action:		Date:	
Type	WEEDS		
Comment:	Small amount of weeds in secondary containments - please refer to photo log		
Corrective Action:		Date:	
Type	OTHER		

Comment: Small amount of staining on location - please refer to photo log			
Corrective Action:		Date:	
Overall Good: <input type="checkbox"/>			
Spills:			
Type	Area	Volume	
In Containment: No			
Comment: <input type="text"/>			
<input type="checkbox"/> Multiple Spills and Releases?			
Fencing/:			
Type	WELLHEAD		
Comment:	Shideler 1-7 & HMU 1-6D wellheads - cattle panels		
Corrective Action:	Date:		
Type	TANK BATTERY		
Comment:	Cattle panels around 1 tank battery		
Corrective Action:	Date:		
Type	OTHER		
Comment:	Capstone generators - cattle panels & jersey barriers		
Corrective Action:	Date:		
Equipment:		corrective date	
Type: Gas Meter Run	# 6		
Comment:			
Corrective Action:	Date:		
Type: Other	# 1		
Comment:	Bear proof trash container		
Corrective Action:	Date:		
Type: Vertical Heated Separator	# 3		
Comment:			
Corrective Action:	Date:		
Type: Bradenhead	# 5		
Comment:	Pressure transducers located on all bradenhead, bradenhead valves are accessible.		
Corrective Action:	Date:		
Type: Ancillary equipment	# 4		
Comment:	Chemical tanks		
Corrective Action:	Date:		
Type: Other	# 1		
Comment:	Pump house		
Corrective Action:	Date:		
Type: Other	# 1		
Comment:	Fire extinguisher		

Corrective Action:		Date:	
Type: Ancillary equipment	# 5		
Comment:	Capstone C65 microturbine generators		
Corrective Action:		Date:	
Type: Horizontal Heated Separator	# 2		
Comment:			
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: Gas Meter Run	# 1		
Comment:	Summit Midstream		
Corrective Action:		Date:	
Type: Other	# 1		
Comment:	Spill response kit		
Corrective Action:		Date:	
Type: Other	# 1		
Comment:	Open ended load line		
Corrective Action:	All load lines will be capped or plugged		Date: 09/08/2024
Type: Other	# 1		
Comment:	PRV vent line does not comply with CECMC pressure safety device rules		
Corrective Action:	Comply with CECMC pressure safety device rules		Date: 09/08/2024
Type: Other	# 1		
Comment:	Roll off dumpster		
Corrective Action:		Date:	
Type: Ancillary equipment	# 1		
Comment:	Air compressor		
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) _____							
<u>Berms</u>							
Type	Capacity		Permeability (Wall)		Permeability (Base)		Maintenance
Metal	Adequate		Walls Sufficent				
Comment: Centralized containment							
Corrective Action:							Date: _____
Contents	#	Capacity	Type		Tank ID	SE GPS	
CONDENSATE	2	300 BBLs	STEEL AST			,	
Comment: Tanks equipped with telemetry							
Corrective Action:							Date: _____
<u>Paint</u>							
Condition	Adequate						
Other (Content)							
Other (Capacity)							
Other (Type)							
<u>Berms</u>							
Type	Capacity		Permeability (Wall)		Permeability (Base)		Maintenance
Metal	Adequate		Walls Sufficent				
Comment: Centralized containment							
Corrective Action:							Date: _____
Contents	#	Capacity	Type		Tank ID	SE GPS	
CONDENSATE	8	300 BBLs	STEEL AST			,	
Comment: Tanks equipped with telemetry							
Corrective Action:							Date: _____
<u>Paint</u>							
Condition	Adequate						
Other (Content)							
Other (Capacity)							
Other (Type)							
<u>Berms</u>							
Type	Capacity		Permeability (Wall)		Permeability (Base)		Maintenance
Metal	Adequate		Walls Sufficent				
Comment: Separate centralized containment							
Corrective Action:							Date: _____
<u>Venting:</u>							
Yes/No	NO						
Comment:							
Corrective Action:							Date: _____
<u>Flaring:</u>							
Type							

Comment:			
Corrective Action:		Date:	

Inspected Facilities

Facility ID: 262866 Type: WELL API Number: 045-08064 Status: PR Insp. Status: PR

Idle WellPurpose: ☒ Shut In ☐ Temporarily Abandoned Reminder: _____

Comment: Shut In

Corrective Action: _____ Date: _____

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

Facility ID: 268506 Type: WELL API Number: 045-09268 Status: PR Insp. Status: PR

Idle WellPurpose: ☒ Shut In ☐ Temporarily Abandoned Reminder: _____

Comment: Shut In

Corrective Action: _____ Date: _____

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

Facility ID: 282079 Type: WELL API Number: 045-11633 Status: PR Insp. Status: PR

Idle WellPurpose: ☒ Shut In ☐ Temporarily Abandoned Reminder: _____

Comment: Shut In

Corrective Action: _____ Date: _____

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

Facility ID: 282080 Type: WELL API Number: 045-11632 Status: PR Insp. Status: PR

Idle WellPurpose: ☒ Shut In ☐ Temporarily Abandoned Reminder: _____

Comment: Shut In

Corrective Action: _____ Date: _____

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

Facility ID: 282081 Type: WELL API Number: 045-11631 Status: PR Insp. Status: PR

Idle WellPurpose: ☒ Shut In ☐ Temporarily Abandoned Reminder: _____

Comment: Shut In

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
Ditches						
		Culverts				
Compaction						Light compaction in some areas
Retention Ponds						
Culverts						
		Compaction				Light compaction in some sections
Rip Rap						
		Other				Mag chloride on some sections
Gravel						Sparse to none in areas
				Material Handling And Spill Prevention	Fail	Failure to maintain chemical BMP's
		Gravel				Sparse to none in sections
Sediment Traps						
Berms						
		Ditches				
<p>Comment: 1. Failure to maintain chemical BMP's - 4 Chemical tank containments approximately 3/4 full of fluid/BMP's insufficient to contain possible spill.</p> <p>Corrective Action: Comply with CECMC Stormwater rules Date: 09/16/2024</p> <p>Pits: <input checked="" type="checkbox"/> NO SURFACE INDICATION OF PIT</p>						

ECMC Comments

Comment	User	Date
Please refer to Equipment & Stormwater for corrective actions & also refer to Signs/Marker & Housekeeping for comments	smelserw	08/31/2024

Attached Documents

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

Document Num	Description	URL
708904465	Inspection 708904464 photo log	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6690158
708904466	Inspection 708904464 Stormwater photo log	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6690159