

**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:

03/16/2021

Submitted Date:

03/17/2021

Document Number:

699802775**FIELD INSPECTION FORM**Loc ID 334106 Inspector Name: De Paolo, Corey On-Site Inspection ☐ 2A Doc Num: \_\_\_\_\_**Operator Information:**OGCC Operator Number: 10456Name of Operator: CAERUS PICEANCE LLCAddress: 1001 17TH STREET #1600City: DENVER State: CO Zip: 80202**Status Summary:**

- ☒ THIS IS A FOLLOW UP INSPECTION
- ☒ FOLLOW UP INSPECTION REQUIRED
- ☐ NO FOLLOW UP INSPECTION REQUIRED

**Findings:**22 Number of Comments4 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<br>oilandgas.com |         |
| Kellerby, Shaun |       | shaun.kellerby@state.co.us                |         |

**Inspected Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num   | Facility Name                  | Insp Status |
|-------------|------|--------|-------------|------------|-----------|--------------------------------|-------------|
| 276522      | WELL | PR     | 08/21/2005  | GW         | 077-08855 | KEINATH FEDERAL 8-6<br>(F8OU)  | PR          |
| 284078      | WELL | PR     | 08/04/2006  | GW         | 077-09046 | KEINATH FEDERAL 8-7<br>(F8OU)  | PR          |
| 284079      | WELL | PR     | 08/09/2006  | GW         | 077-09045 | KEINATH FEDERAL 8-11<br>(F8OU) | PR          |
| 284080      | WELL | PR     | 08/08/2006  | GW         | 077-09044 | KEINATH FEDERAL 8-5<br>(F8OU)  | PR          |

**General Comment:**

COGCC Inspection Report Summary

On Tuesday 3/16/21 at approximately 14:30 hours, I, Inspector Corey De Paolo, Conducted a follow up inspection at CAERUS PICEANCE LLC KEINATH FEDERAL-68S96W /8SENW, Location #334147 in Mesa County Colorado.

Refer to document #699802208 inspection conducted on 12/4/20. Not all previous corrective actions have been complete. CAERUS PICEANCE LLC submitted FIR RESOLUTION document #402575830 stating the road was bladed.

While there, I observed normal production operations.

During this inspection the following possible compliance issues were observed:

- 1) 1" flowline riser not LO/TO. See photo #3165 with a corrective action date of 4/17/21.
- 2) Debris in perimeter ditch on Eastside of location. See photo #3163 with a corrective action date of 3/31/21.
- 3) Flow line heating insulation open ended and not capped. See photo #3167 with a corrective action date of 4/16/21.
- 4) Location lacks stabilization. See photo #3160, #2394, #3161 and #2395. No form of tracking control at entrance to location. See photo #3166 and #2396 with previous corrective action date of 12/19/20.
- 5) Sediment appears to have been plowed into ditch on Eastside of location. See photo #3164. Perimeter berm has been compromised and no longer is affectively controlling run on to location from cut slope. See photo #3162 with a corrective action date of 3/31/21.

-Location is located in an external 317B buffer zone and a high priority habitat area. Additionally the location is also in a high density habitat area.

A follow up on this site inspection needs to be conducted to ensure the Compliance issues have been corrected to comply with COGCC rules.

This is a summary of inspection report.

| Location   |   |        |                  |
|--|---|--------|------------------|
| <b>Lease Road:</b>                                     |   |        |                  |
| Type   | Access  |        |                  |
| comment:   |   |        |                  |
| Corrective Action                                      | L   |        | Date:            |
| Overall Good: <input checked="" type="checkbox"/>      |   |        |                  |
| <b>Signs/Marker:</b>                                   |   |        |                  |
| Type   | TANK LABELS/PLACARDS  |        |                  |
| Comment:   |   |        |                  |
| Corrective Action:                                     |   |        | Date:            |
| Type   | BATTERY   |        |                  |
| Comment:   | Note there is no battery sign located at the battery. The previous information was posted on the tanks and does not meet the new battery sign requirements of Rule 605 e. |        |                  |
| Corrective Action:                                     |   |        | Date:            |
| Type   | WELLHEAD  |        |                  |
| Comment:   |   |        |                  |
| Corrective Action:                                     |   |        | Date:            |
| Emergency Contact Number:                              |   |        |                  |
| Comment:   | 911   |        |                  |
| Corrective Action:                                     |   |        | Date: _____      |
| <b>Good Housekeeping:</b>                              |   |        |                  |
| Type   | UNUSED EQUIPMENT  |        |                  |
| Comment:   | 1" flowline riser not LO/TO. See photo #3165  |        |                  |
| Corrective Action:                                     | Properly lock out tag out flow line or remove riser.  |        | Date: 04/17/2021 |
| Type   | DEBRIS  |        |                  |
| Comment:   | Debris in perimeter ditch on Eastside of location. See photo #3163  |        |                  |
| Corrective Action:                                     | Oil and Gas Locations will be kept free of all Undesirable Plant Species.   |        | Date: 03/31/2021 |
| Overall Good: <input type="checkbox"/>                 |   |        |                  |
| <b>Spills:</b>   |   |        |                  |
| Type   | Area  | Volume |                  |
| In Containment: No                                     |   |        |                  |
| Comment: _____   |   |        |                  |
| <input type="checkbox"/> Multiple Spills and Releases? |   |        |                  |
| <b>Fencing/:</b>                                       |   |        |                  |
| Type   | LOCATION  |        |                  |
| Comment:   | Barbed wire fence around location   |        |                  |
| Corrective Action:                                     |   |        | Date:            |
| <b>Equipment:</b>                                      |   |        |                  |
| Type: Vertical Heated Separator                        | # 3   |        | corrective date  |
| Comment:   |   |        |                  |

|                                   |  |       |                  |
|-----------------------------------|--|-------|------------------|
| Corrective Action:                |  | Date: |                  |
| Type: Horizontal Heated Separator | # 1  |       |                  |
| Comment:                          |  |       |                  |
| Corrective Action:                |  | Date: |                  |
| Type: Bradenhead                  | # 4  |       |                  |
| Comment:                          | Pressure transducers located on all braden heads. All braden head valves are accessible. |       |                  |
| Corrective Action:                |  | Date: |                  |
| Type: Plunger Lift                | # 4  |       |                  |
| Comment:                          | All wells on plunger lift  |       |                  |
| Corrective Action:                |  | Date: |                  |
| Type: Other                       | # 1  |       |                  |
| Comment:                          | Flow line heating insulation open ended and not capped. See photo #3167                  |       |                  |
| Corrective Action:                | Operator's shall avoid, minimize, and mitigate adverse Impacts to wildlife.              |       | Date: 04/16/2021 |
| Type: Bird Protectors             | # 2  |       |                  |
| Comment:                          |  |       |                  |
| Corrective Action:                |  | Date: |                  |
| Type: Gas Meter Run               | # 1  |       |                  |
| Comment:                          | Summit midstream   |       |                  |
| Corrective Action:                |  | Date: |                  |
| Type: Gas Meter Run               | # 4  |       |                  |
| Comment:                          | All meter runs have been calibrated in the last year.                                    |       |                  |
| Corrective Action:                |  | Date: |                  |

**Tanks and Berms:**

| Contents           | # | Capacity | Type      | Tank ID | SE GPS |
|--------------------|---|----------|-----------|---------|--------|
| CONDENSATE         | 2 | 500 BBLs | 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    | Base Sufficient     | Adequate    |
| Comment:           |          |                     |                     |             |
| Corrective Action: |          |                     |                     | Date:       |

**Venting:**

|        |    |
|--------|----|
| Yes/No | NO |
|--------|----|

|                    |  |       |  |
|--------------------|--|-------|--|
| Comment:           |  |       |  |
| Corrective Action: |  | Date: |  |
| <b>Flaring:</b>    |  |       |  |
| Type               |  |       |  |
| Comment:           |  |       |  |
| Corrective Action: |  | Date: |  |

**Inspected Facilities**Facility ID: 276522 Type: WELL API Number: 077-08855 Status: PR Insp. Status: PR**Producing Well**Comment: Producing

Corrective Action:

Date:

Facility ID: 284078 Type: WELL API Number: 077-09046 Status: PR Insp. Status: PR**Producing Well**Comment: Producing

Corrective Action:

Date:

Facility ID: 284079 Type: WELL API Number: 077-09045 Status: PR Insp. Status: PR**Producing Well**Comment: Producing

Corrective Action:

Date:

Facility ID: 284080 Type: WELL API Number: 077-09044 Status: PR Insp. Status: PR**Producing Well**Comment: Producing

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                       |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|-------------------------------|
|                  |                 | Berms                   |                       |               |                          |                               |
|                  |                 | Gravel                  |                       |               |                          |                               |
|                  |                 | Culverts                |                       |               |                          |                               |
|                  |                 | Check Dams              |                       |               |                          |                               |
| Other            | Fail            |                         |                       |               |                          | No form of tracking control   |
|                  |                 | Compaction              |                       |               |                          |                               |
| Berms            | Fail            |                         |                       |               |                          | Berm has been compromised     |
| Sediment Traps   |                 |                         |                       |               |                          |                               |
| Compaction       | Fail            |                         |                       |               |                          | Location lacks stabilization. |
| Gravel           |                 |                         |                       |               |                          | By wellheads and separators   |
|                  |                 | Ditches                 |                       |               |                          |                               |
| Ditches          | Fail            |                         |                       |               |                          | Sediment plowed into ditch    |

Comment: Location lacks stabilization. See photo #3160, #2394, #3161 and #2395. No form of tracking control at entrance to location. See photo #3166 and #2396 with previous corrective action date of 12/19/20. Sediment appears to have been plowed into ditch on Eastside of location. See photo #3164. Perimeter berm has been compromised and no longer is affectively controlling run on to location from cut slope. See photo #3162 with a corrective action date of 3/31/21.

Corrective Action: Oil and gas operators shall implement and maintain Best Management Practices (BMPs) at all oil and gas locations.

Date: 12/19/2020

Pits: ☒ NO SURFACE INDICATION OF PIT

**COGCC Comments**

| Comment  | User     | Date       |
|--|----------|------------|
| <a href="#">Refer to Housekeeping, Equipment and Storm water for corrective actions.</a> | depaoloc | 03/17/2021 |

**Attached Documents**

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

| Document Num | Description                 | URL   |
|--------------|-----------------------------|---|
| 402632518    | INSPECTION SUBMITTED        | <a href="http://ogccwebblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5379177">http://ogccwebblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5379177</a> |
| 699802776    | Photos for Insp. #699802775 | <a href="http://ogccwebblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5379172">http://ogccwebblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5379172</a> |