

**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:

04/17/2023

Submitted Date:

04/20/2023

Document Number:

696204847

FIELD INSPECTION FORMLoc ID 334075 Inspector Name: Trujillo, Aaron On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**

OGCC 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:

16 Number of Comments

6 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
, TEP		COGCCInspectionReports@terraep.com	
, "		COGCC.inspections@caerusoilandgas.com	All Inspections

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
282378	WELL	PR	04/01/2021	GW	045-11758	COLOHAN 34-13 (OL34)	RI
334075	LOCATION	AC			-	COLOHAN-67S96W 34NWSW	RI

General Comment:

On 4/17/2023, Reclamation Specialist Trujillo conducted an inspection at final reclamation and stormwater inspection at the Caerus Piceance's Colohan-67S96W 34NWSW location in Garfield County, Colorado

This inspection is a follow-up to #696204526 to document compliance for the following corrective actions:

- Liner integrity at Caerus Tank Battery
- Placards/labeling at TEP's Tank Battery

It was observed that the Location remains out of compliance with COGCC Rules and Corrective Actions.

The Following New compliance issues were identified per this inspection:

- Battery signage not posted at Caerus Battery
- Well signage
- Battery signage not posted at TEP Battery
- Liner integrity at TEP Battery

This is a Caerus Location with TEP equipment, Caerus is ultimately responsible for the management of their Location, however inspection is being provided to both Caerus and TEP.

Refer to the "Location" sections of this inspection report for additional details.

Refer to the photo-documentation of the observed compliance issues attached to this report.

Any corrective action(s) from previous inspections that have not been addressed are still applicable.

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

LocationOverall Good: ☒

Signs/Marker:			
Type	TANK LABELS/PLACARDS		
Comment:	<p>Inspection #696204526 observed that signage was not posted or information incorrect at the TEP tank on the north end of the Location. Inspection required Operator to comply with 605.h.</p> <p>It was observed in this inspection that Operator has installed new labeling with TEP Operator information, however, labeling with incorrect Operator name and emergency number on tank was not removed- signage information at tank remains inaccurate.</p>		
Corrective Action:	Comply with Rule 605.h.		Date: 01/23/2023
Type	BATTERY		
Comment:	It was observed that signage has not been posted at the Caerus tank battery facility, on the south end of the Location.		
Corrective Action:	Install sign to comply with Rule 605.e.		Date: 05/20/2023
Type	BATTERY		
Comment:	It was observed that signage has not been posted at the TEP tank battery facility, on the north end of the Location. This is a TEP tank battery on Caerus' Location. Corrective action is being provided to both Operators.		
Corrective Action:	Install sign to comply with Rule 605.e.		Date: 05/20/2023
Type	CONTAINERS		
Comment:	Methanol tank		
Corrective Action:			Date:
Type	TANK LABELS/PLACARDS		
Comment:	Signage at Caerus tanks.		
Corrective Action:			Date:
Type	OTHER		
Comment:	Location		
Corrective Action:			Date:
Type	WELLHEAD		
Comment:	Well signage with required information has neither been posted at the Wellhead, or the Tank Battery Facility pursuant to former Rule 210.b.(1) and (2), now Rule 605.d.		
Corrective Action:	Install sign at well to comply with Rule 605.d.		Date: 05/20/2023

Emergency Contact Number:

Comment: 1-970-285-2615/911 (Location signage)
970-301-1319 (Tank Label)

Corrective Action:

Date:

Good Housekeeping:

Type	DEBRIS		
Comment:	Weed debris observed at culvert.		
Corrective Action:	Comply with Rule 606.c and d.		Date: 04/27/2023

Overall Good: ☐

Spills:			
Type	Area	Volume	

In Containment: No

Comment:

☐ Multiple Spills and Releases?**Tanks and Berms:**

Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	1	100 BBLS	STEEL AST		,
Comment: TEP Tank- see "Signs/Marker" above.					
Corrective Action:					Date:

Paint

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

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal		Walls Insufficient		Inadequate
Comment: Secondary containment is not sufficiently impervious to contain spilled or released materials; various holes/tears observed throughout liner. This is a TEP tank battery on Caerus' Location. Corrective action is being provided to both Operators.				
Corrective Action: Install or repair BMP to ensure containment remains impervious to contain spill or release.				Date: 05/20/2023

Contents	#	Capacity	Type	Tank ID	SE GPS
OTHER	1	300 BBLS	STEEL AST		,
Comment:					
Corrective Action:					Date:

Paint

Condition	
Other (Content)	Produced Water, Condensate mix
Other (Capacity)	
Other (Type)	

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal	Adequate	Walls Sufficient	Base Sufficient	Adequate
Comment: Inspection #696204526 observed that the secondary containment BMP was not sufficiently impervious to contain a spill or release; various holes/tears observed throughout liner. Inspection required Operator to install or repair BMP. It was observed in this inspection that maintenance appears to have been conducted to repair BMP; BMPs appears to be in proper functioning condition.				
Corrective Action:				Date:

Venting:

Yes/No	
Comment:	
Corrective Action:	Date:

Flaring:			
Type			
Comment:			
Corrective Action:		Date:	

Inspected Facilities									
Facility ID:	282378	Type:	WELL	API Number:	045-11758	Status:	PR	Insp. Status:	RI
Facility ID:	334075	Type:	LOCATION	API Number:	-	Status:	AC	Insp. Status:	RI

Reclamation - Storm Water - Pit**Interim Reclamation:**

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: _____

Comment: _____

1002 SITE PREPARATION AND STABILIZATION

1002a. FENCING _____

Comment _____

Corrective Action _____

Date _____

1002b. SOIL REMOVAL AND
SEGREGATION _____

Comment _____

Corrective Action _____

Date _____

1002c. PROTECTION OF SOILS _____

Comment _____

Corrective Action _____

Date _____

1002E. SURFACE DISTURBANCE MINIMIZATION _____

Comment _____

Corrective Action _____

Date _____

1003a. Waste and Debris removed? _____

Comment _____

Corrective Action _____

Date _____

Unused or unneeded equipment onsite? _____

Comment _____

Corrective Action _____

Date _____

Pit, cellars, rat holes and other bores closed? _____

Comment _____

Corrective Action _____

Date _____

Guy line anchors marked? _____

Comment _____

Corrective Action _____

Date _____

1003b. Area no longer in use? _____ Production areas stabilized ? _____

1003c. Compacted areas have been cross ripped? _____

1003d. Drilling pit closed? _____ Subsidence over on drill pit? _____

Cuttings management: _____

1003e. Areas no longer needed for drilling or subsequent operations for have been re-vegetated to 80% of pre-existing? _____

Production areas have been stabilized? _____ Segregated soils have been replaced? _____

RESTORATION AND REVEGETATIONCropland

Top soil replaced _____ Recontoured _____ Perennial forage re-established _____

Non-Cropland

Top soil replaced _____ Recontoured _____ 80% Revegetation _____

1003e. INTERIM VEGETATION TRANSECT

TRANSECT RESULTS OF DISTURBED AREA% _____

TRANSECT RESULTS OF REFERENCE AREA% _____

TOTAL % OF DESIRABLE VEGETATION COVER _____

VEGETATIVE COVER _____

1003 f. Weeds Noxious weeds? _____

Comment

Interim areas appear to be progressing towards 1003 perennial revegetation standards, however it is noted that vegetation observed was predominantly undesirable annual plant species with introduced perennial grasses.

Continue to monitor and manage interim areas, implement or maintain BMPs to ensure Undesirable Plant Species are managed and site comports with Rule 606.c and 1003.f requirements.

Corrective Action

Date _____

Overall Interim Reclamation In Process

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____ Date Final Reclamation Completed: _____

Final Land Use: _____

Reminder: _____

Comment: _____

Well plugged _____

Pit mouse/rat holes, cellars backfilled _____

Debris removed _____

No disturbance /Location never built _____

Access Roads Regraded _____

Contoured _____

Culverts removed _____

Gravel removed _____

Location and associated production facilities reclaimed _____

Locations, facilities, roads, recontoured _____

Compaction alleviation _____ Dust and erosion control _____

Non cropland: Revegetated 80% _____

Cropland: perennial forage _____

Weeds present _____ Subsidence _____

1004.d. FINAL VEGETATION TRANSECT

TRANSECT RESULTS OF DISTURBED AREA% _____

TRANSECT RESULTS OF REFERENCE AREA% _____

TOTAL % OF DESIRABLE VEGETATION COVER _____

VEGETATIVE COVER _____

Inspector Name: Trujillo, Aaron

Comment: <input style="width: 95%;" type="text"/>	Date: <input style="width: 95%;" type="text"/>					
Corrective Action: <input style="width: 95%;" type="text"/>						
Overall Final Reclamation <input type="checkbox"/> Well Release on Active Location <input type="checkbox"/> Multi-Well Location <input type="checkbox"/>						
Storm Water:						
Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Comment: <div style="border: 1px solid black; padding: 5px; color: blue;">Tracking controls on the Location show sings of disrepair- advise maintenance to ensure BMPs to minimize erosion, degradation and off-site sedimentr transport remain in proper functioning condition, in order to stabilize the working pad and properly manage runoff during wet coditions.</div>						
Corrective Action: <input style="width: 95%;" type="text"/>						Date: <input style="width: 95%;" type="text"/>
Pits: <input type="checkbox"/> NO SURFACE INDICATION OF PIT						

Attached Documents

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

Document Num	Description	URL
403379446	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6088598
696204849	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6088585