

**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:

09/01/2023

Submitted Date:

09/04/2023

Document Number:

708901534

**FIELD INSPECTION FORM**

Loc ID 324286 Inspector Name: Smelser, Wayne 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:**

31 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
274049	WELL	PR	12/03/2012	GW	045-10319	SOURS 22-11 (N22W)	PR
427161	WELL	SI	06/01/2023	GW	045-21269	MCU 22-13B (N22W)	SI
427171	WELL	SI	06/01/2023	GW	045-21274	MCU 22-13A (N22W)	SI
427174	WELL	SI	06/01/2023	GW	045-21275	MCU 22-13C (N22W)	SI
428268	WELL	PR	11/14/2012	GW	045-21453	MCU FEE 22-12C (N22W)	PR
428280	WELL	PR	11/27/2012	GW	045-21454	MCU FEE 22-12A (N22W)	PR
428290	WELL	PR	11/26/2012	GW	045-21455	MCU FEE 22-12B (N22W)	PR
428293	WELL	PR	09/01/2021	GW	045-21456	MCU FEE 22-11A (N22W)	PR

**General Comment:**

CECMC Inspection Report Summary

On 09/01/2023 at approximately 10:41 hours, I, Compliance Specialist, Wayne Smelser

Conducted an on-site inspection at CAERUS PICEANCE LLC N22W Pad.

Location # 324286 in Garfield County Colorado.

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

Location is approximately 273 yards from West Mamm Creek.

Location is within close proximity to Rule 411.b Generalized External Buffer.

While there, I observed normal production operations.

During this inspection the following compliance issues were observed:

1. Tanks & Berms - Hole in secondary containment liner/liner needs maintenance with a CA date of 09/24/2023
2. Equipment - Flowline heating insulation open ended with a CA date of 09/11/2023
3. Stormwater - Erosion & transport of sediment off location/insufficient BMP's with a CA date of 09/19/2023
4. Equipment - Open ended load line with a CA date of 09/11/2023

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			
<b>Lease Road:</b>			
Type	Access		
comment:			
Corrective Action	L		Date:
Overall Good: <input type="checkbox"/>			
<b>Signs/Marker:</b>			
Type	WELLHEAD		
Comment:			
Corrective Action:			Date:
Type	TANK LABELS/PLACARDS		
Comment:			
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:
Type	CONTAINERS		
Comment:	Chemical tank		
Corrective Action:			Date:
Emergency Contact Number:			
Comment:	911/970-285-2615		
Corrective Action:			Date: _____
<b>Good Housekeeping:</b>			
Type	DEBRIS		
Comment:	Debris - please refer to photo log		
Corrective Action:			Date:
Overall Good: <input type="checkbox"/>			
<b>Spills:</b>			
Type	Area	Volume	
In Containment: No _____			
Comment: _____			
<input type="checkbox"/> Multiple Spills and Releases?			
<b>Equipment:</b>			
Type: Ancillary equipment	# 1		corrective date
Comment:	Chemical tank		

Corrective Action:				Date:	
Type: Emission Control Device	# 1				
Comment:					
Corrective Action:				Date:	
Type: Other	# 1				
Comment:	Bear proof trash container				
Corrective Action:				Date:	
Type: Other	# 3				
Comment:	Flowline heating insulation open ended				
Corrective Action:	Operators will prevent & minimize adverse impacts to wildlife resources.			Date:	09/11/2023
Type: Horizontal Heated Separator	# 1				
Comment:					
Corrective Action:				Date:	
Type: Bradenhead	# 8				
Comment:	Pressure transducers located on all bradenhead. All bradenhead valves are accessible.				
Corrective Action:				Date:	
Type: Bird Protectors	# 4				
Comment:					
Corrective Action:				Date:	
Type: Horizontal Heated Separator	# 7				
Comment:					
Corrective Action:				Date:	
Type: Gas Meter Run	# 8				
Comment:					
Corrective Action:				Date:	
Type: Other	# 1				
Comment:	Open ended load line				
Corrective Action:	All load lines will be capped or plugged			Date:	09/11/2023
Type: Plunger Lift	# 8				
Comment:	All wells on plunger lift				
Corrective Action:				Date:	

**Tanks and Berms:**

Contents	#	Capacity	Type	Tank ID	SE GPS	
METHANOL	1	1000 GAL	STEEL AST		,	
Comment:	Centralized containment					
Corrective Action:					Date:	

**Paint**

Condition	Adequate	
Other (Content)		
Other (Capacity)		

Other (Type)						
<u>Berms</u>						
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance		
Comment:						
Corrective Action:				Date:		
Contents	#	Capacity	Type	Tank ID	SE GPS	
CONDENSATE	1	300 BBLS	STEEL AST		,	
Comment:				Centralized containment		
Corrective Action:				Date:		
<u>Paint</u>						
Condition	Adequate					
Other (Content)						
Other (Capacity)						
Other (Type)						
<u>Berms</u>						
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance		
Comment:						
Corrective Action:				Date:		
Contents	#	Capacity	Type	Tank ID	SE GPS	
CONDENSATE	4	500 BBLS	STEEL AST		,	
Comment:				Centralized containment		
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	Inadequate	Walls Insufficient	Base Sufficient	Inadequate		
Comment:				Hole in containment liner/liner needs maintenance. Liner is also not attached to containment ring in multiple spots.		
Corrective Action:				The liner will be sufficiently impervious so that any discharge from a primary containment system will not escape containment before cleanup occurs. The liner will be attached to secondary containment and any equipment penetrating the liner will have a sealed connection.		Date: 09/24/2023
<u>Venting:</u>						
Yes/No	NO					
Comment:						
Corrective Action:				Date:		

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

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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
Other	Fail					Erosion & transport of sediment off location
		Ditches				
		Gravel				Sparse
Ditches						
Rip Rap						
Retention Ponds						
Berms						
		Other				Mag chloride
				Material Handling And Spill Prevention		Chemical tank containment
Compaction						Light compaction
Gravel						Sparse
		Compaction				
		Culverts				

Comment: 1. Erosion &amp; transport of sediment off location/insufficient BMP's (NW corner of location)

Location showing some signs of lack of stabilization/compaction near tank battery.

Corrective Action: Oil and gas operators shall implement and maintain Best Management Practices (BMPs) at all oil and gas locations to control stormwater runoff in a manner that minimizes erosion, transport of sediment offsite, and site degradation. BMPs shall be maintained until the facility is abandoned and final reclamation is achieved.

Date: 09/19/2023

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

Comment	User	Date
Please refer to Equipment, Tanks & Berms & Stormwater for observed compliance issues.	smelserw	09/04/2023

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

Document Num	Description	URL
403519489	INSPECTION SUBMITTED	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6240806">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6240806</a>
708901535	Inspection 708901534 photo log	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6240804">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6240804</a>
708901536	Inspection 708901534 Stormwater photo log	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6240805">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6240805</a>