

**FORM  
INSP**

Rev  
X/15

**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:

02/25/2020

Submitted Date:

02/26/2020

Document Number:

698100127

**FIELD INSPECTION FORM**

Loc ID 334069 Inspector Name: Arauza, Steven On-Site Inspection  2A Doc Num: \_\_\_\_\_

**Status Summary:**

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

**Operator Information:**

OGCC Operator Number: 10456  
Name of Operator: CAERUS PICEANCE LLC  
Address: 1001 17TH STREET #1600  
City: DENVER State: CO Zip: 80202

**Findings:**

- 16 Number of Comments
- 8 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
Rollins, Blair		brollins@caerusoilandgas.com	
Heil, John		john.heil@state.co.us	
Fischer, Alex		alex.fischer@state.co.us	
Middleton, Brett		bmiddleton@caerusoilandgas.com	<a href="#">Sr. Environmental Specialist</a>
,		COGCC.inspections@caerusoilandgas.com	<a href="#">All Inspections</a>
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	SHIDELER 1-7 (G1)	EI
268506	WELL	PR	07/08/2004	GW	045-09268	HMU 1-6D (G1)	EI
282079	WELL	PR	08/25/2006	GW	045-11633	SHIDLER FEDERAL 1-9 (G1SW)	EI
282080	WELL	PR	08/26/2006	GW	045-11632	SHIDELER FEDERAL 1-2C (G1SW)	EI
282081	WELL	PR	07/21/2006	GW	045-11631	SHIDELER 1-1C (G1SW)	EI
466951	SPILL OR RELEASE	CL	01/28/2020		-	SHIDELER-68S93W 1SWNE	EI

**General Comment:**

COGCC Environmental inspection conducted with W. Toews of the BLM. Follow-up to 9/19/2019 Environmental Inspection, doc #699700034, and Remediation Project #14614. Weather conditions during inspection were sunny with a temperature of 24 degrees Fahrenheit. Pad was partially covered with snow during inspection.

Discussed tank battery liner and staining at loadouts with operator via phone on 2/25/2020.

Where corrective actions from previous inspection have not been addressed, corrective action dates remain unchanged.

**Location**

Overall Good:

<b>Signs/Marker:</b>			
Type	TANK LABELS/PLACARDS		
Comment:	Operator identification, volume, and content labels in need of repair or replacement at lower tank battery. See photos.		
Corrective Action:	Install sign to comply with Rule 210.d.	Date:	03/27/2020

Emergency Contact Number:			
Comment:	<input type="text"/>		
Corrective Action:	<input type="text"/>		Date: _____

<b>Good Housekeeping:</b>			
Type	OTHER		
Comment:	Unlabeled 55 gallon drum observed in upper tank battery loadout area. See photos.		
Corrective Action:	Remove and properly dispose of E&P waste per Rule 907.e. Comply with Rule 603.f.	Date:	03/27/2020

Overall Good:

<b>Spills:</b>			
Type	Area	Volume	
Condensate	Valve	<= 1 bbl	
Comment:	Accumulation of condensate and ice observed beneath valve on north side of lower tank battery. See photos.		
Corrective Action:	Control and contain spills/releases and clean up per Rule 906.a.		Date: 03/27/2020
Condensate	Truck Loadout	<= 1 bbl	
Comment:	Accumulation of condensate and ice observed in upper tank battery loadout area		
Corrective Action:	Control and contain spills/releases and clean up per Rule 906.a. Assess underlying soil for impacts.		Date: 03/27/2020

In Containment: No

Comment:

Multiple Spills and Releases?

<b>Equipment:</b>			corrective date
Type: Ancillary equipment	# 1		
Comment:	24 bbl methanol AST located inside of secondary containment area for lower tank battery. 'Loading and unloading instructions' sign faded. See photos.		
Corrective Action:		Date:	
Type: Ancillary equipment	# 7		
Comment:	Day tanks located throughout upper pad had secondary containment devices with adequate freeboard. See photos.		
Corrective Action:		Date:	
Type: Ancillary equipment	# 2		
Comment:	Storage bins for waste and sock filters located between upper tank battery and pump house. See photos.		
Corrective Action:		Date:	

**Tanks and Berms:**

Contents	#	Capacity	Type	Tank ID	SE GPS
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OTHER	2	300 BBLs	STEEL AST		
Comment:	Lower tank battery. Both tanks had valves open to atmosphere on inspection date. Valve on north tank was surrounded by ice with condensate staining. See photos.				
Corrective Action:	Install bullplug or secondary containment device to prevent releases of fluid, per Rule 906.d.  Securely fasten all valves, pipes, and fittings to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 605.d.			Date:	03/12/2020
<b>Paint</b>					
Condition					
Other (Content)	condensate and produced water				
Other (Capacity)					
Other (Type)					
<b>Berms</b>					
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Metal	Inadequate	Walls Insufficient		Inadequate	
Comment:	Secondary containment area contained snow and ice with condensate staining on inspection date. Multiple holes observed in visible portions of liner. Liner holes had been documented in previous FIR (doc #699700034) with a corrective action to repair by 10/28/2019.				
Corrective Action:	Immediately repair or install secondary containment devices per Rule 605.a.(4). Provide 48-hour advance notice to COGCC EPS prior to secondary containment inspection and repair. Submit documentation of tank battery liner repairs conducted in response to previous inspection report via FIRR within 30 days.			Date:	10/28/2019
Contents	#	Capacity	Type	Tank ID	SE GPS
OTHER	8	300 BBLs	STEEL AST		
Comment:	Upper tank battery				
Corrective Action:					Date:
<b>Paint</b>					
Condition					
Other (Content)	condensate and produced water				
Other (Capacity)					
Other (Type)					
<b>Berms</b>					
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Metal	Inadequate	Walls Insufficient		Inadequate	
Comment:	Pinhole with possible patch failure observed in visible portion of liner. Liner holes had been documented in previous FIR (doc #699700034) with a corrective action to repair by 10/28/2019.				
Corrective Action:	Immediately repair or install secondary containment devices per Rule 605.a.(4). Provide 48-hour advance notice to COGCC EPS prior to secondary containment inspection and repair. Submit documentation of tank battery liner repairs conducted in response to previous inspection report via FIRR within 30 days.			Date:	10/28/2019
<b>Venting:</b>					
Yes/No					
Comment:					
Corrective Action:					Date:
<b>Flaring:</b>					

Type		
Comment:		
Corrective Action:		Date:

**Inspected Facilities**

Facility ID: <u>262866</u>	Type: <u>WELL</u>	API Number: <u>045-08064</u>	Status: <u>PR</u>	Insp. Status: <u>EI</u>
Facility ID: <u>268506</u>	Type: <u>WELL</u>	API Number: <u>045-09268</u>	Status: <u>PR</u>	Insp. Status: <u>EI</u>
Facility ID: <u>282079</u>	Type: <u>WELL</u>	API Number: <u>045-11633</u>	Status: <u>PR</u>	Insp. Status: <u>EI</u>
Facility ID: <u>282080</u>	Type: <u>WELL</u>	API Number: <u>045-11632</u>	Status: <u>PR</u>	Insp. Status: <u>EI</u>
Facility ID: <u>282081</u>	Type: <u>WELL</u>	API Number: <u>045-11631</u>	Status: <u>PR</u>	Insp. Status: <u>EI</u>
Facility ID: <u>466951</u>	Type: <u>SPILL OR</u>	API Number: <u>-</u>	Status: <u>CL</u>	Insp. Status: <u>EI</u>

**Environmental**

**Waste Management:**

Type	Management	Condition	GPS (Lat)	(Long)
Oily Soil	Other			
Comment	Previous Environmental FIR (doc #699700034) reported: "5-6 feet diameter of stained gravel within secondary containment of the upper tank battery."			
Corrective Action	Submit documentation of removal and proper disposal or treatment of stained gravel referenced in doc #699700034 via an FIRR.			Date: 03/27/2020

**Spill/Remediation:**

Comment:	Operator's consultant was onsite during inspection to collect groundwater samples in support of ongoing Remediation Project #14614.		
Corrective Action:			Date: _____

Emission Control Burner (ECB): \_\_\_\_\_

Comment: \_\_\_\_\_

Pilot: \_\_\_\_\_ Wildlife Protection Devices (fired vessels): \_\_\_\_\_

**Attached Documents**

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

Document Num	Description	URL
698100128	20200225 field photos	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5078823">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5078823</a>