

**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:

10/28/2024

Submitted Date:

10/29/2024

Document Number:

715500867

FIELD INSPECTION FORMLoc ID 336007 Inspector Name: Burchett, Kirby 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:

24 Number of Comments

2 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 |
|---------------------|----------------|---------------------------------------|---------|
| Wilson, Justin | (970) 878-3825 | jrwilson@blm.gov | |
| Inspections, Caerus | (970) 285-2600 | COGCC.inspections@caerusoilandgas.com | |
| Energy, QB | (970) 285-2600 | ecmc.inspections@qb-energy.com | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|------------------------|-------------|
| 299793 | WELL | PR | 06/01/2013 | GW | 103-11420 | FREEDOM UNIT 197-33B7 | PR |
| 299794 | WELL | PR | 06/01/2013 | GW | 103-11421 | FREEDOM UNIT 197-33B8 | PR |
| 299795 | WELL | PR | 06/01/2013 | GW | 103-11422 | FREEDOM UNIT 197-33B9 | PR |
| 299796 | WELL | PR | 06/01/2013 | GW | 103-11423 | FREEDOM UNIT 197-33B10 | PR |
| 299797 | WELL | PR | 06/01/2013 | GW | 103-11424 | FREEDOM UNIT 197-33B6 | PR |
| 299798 | WELL | PR | 10/01/2021 | GW | 103-11425 | FREEDOM UNIT 197-33B5 | PR |
| 299799 | WELL | PR | 06/01/2013 | GW | 103-11426 | FREEDOM UNIT 197-33B4 | PR |
| 299800 | WELL | PR | 07/01/2024 | GW | 103-11427 | FREEDOM UNIT 197-33B2 | PR |
| 299801 | WELL | PR | 01/01/2017 | GW | 103-11428 | FREEDOM UNIT 197-33B1 | PR |
| 300296 | WELL | PR | 06/01/2013 | GW | 103-11433 | FREEDOM UNIT 197-33B3 | PR |

General Comment:

ECMC Inspection Report Summary

On Monday, 10/28/2024, Inspector Kirby Burchett, conducted a routine field inspection at Caerus Piceance – QB Energy on the Freedom Unit-61S97W 33SWNE pad, Location #336007, in Rio Blanco County, Colorado.

This location is within or close proximity to a Parks & Wildlife (CPW) District and Black Bear area with High Priority, NSO, and Density Habitat regulations.

Any Corrective Actions from previous Inspections are still applicable.

While there during normal operations the following compliance issues were observed:

1. Well signs missing required information.
2. Chemical containments full of liquid.

Refer to Inspection Photos for observed compliance issues.

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

LocationOverall Good: ☐

| | | | |
|----------------------|--|-------|------------|
| Signs/Marker: | | | |
| Type | WELLHEAD | | |
| Comment: | Missing required information | | |
| Corrective Action: | When no associated Tank battery is present at the Oil and Gas Location, the following information is required on the Well sign: Name of the Operator; Telephone number at which the Operator can be reached at all times; Telephone number for local emergency services (911 where available); The public road used to access the Well; Well name(s) and API number(s); The legal location of the Well(s) including the quarter/quarter section. | Date: | 11/28/2024 |
| Type | OTHER | | |
| Comment: | As Location Entrance signs are replaced: The Well name; The Commission's Location identification number (ID #); The Operator's telephone number where it may be reached at all times; and the Telephone number(s) for local emergency services (911 where available) will be required. | | |
| Corrective Action: | | Date: | |
| Type | CONTAINERS | | |
| Comment: | Operators will ensure that container and tank labels are well maintained and legible, and will replace damaged or vandalized labels within 10 days of discovery that the label is no longer legible or is damaged. | | |
| Corrective Action: | | Date: | |

Emergency Contact Number:

Comment: 970-285-2615

Corrective Action:

Date: _____

Overall Good: ☐

| | | | | |
|--|------|--------|--|--|
| Spills: | | | | |
| Type | Area | Volume | | |
| In Containment: No | | | | |
| Comment: _____ | | | | |
| <input type="checkbox"/> Multiple Spills and Releases? | | | | |

| | | | |
|--------------------|-------------|-------|--|
| Fencing/: | | | |
| Type | LOCATION | | |
| Comment: | Barbed wire | | |
| Corrective Action: | | Date: | |

| | | | |
|----------------------------|--|-------|-----------------|
| Equipment: | | | corrective date |
| Type: Ancillary equipment | # 3 | | |
| Comment: | Chemical tanks on containments. Containments nearly full of liquid. | | |
| Corrective Action: | Empty containment and properly dispose of contents. | Date: | 11/04/2024 |
| Type: Plunger Lift | # 9 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Horizontal Separator | # 2 | | |
| Comment: | Housed bulk and test unit | | |
| Corrective Action: | | Date: | |

| | | | |
|--------------------------|---|--|-------|
| Type: Deadman # & Marked | # 6 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Flow Line | # 2 | | |
| Comment: | Manifolds between wells and production equipment. | | |
| Corrective Action: | | | Date: |
| Type: Gas Meter Run | # 2 | | |
| Comment: | Bulk and Test meters inside separator building | | |
| Corrective Action: | | | Date: |
| Type: Bradenhead | # 20 | | |
| Comment: | Surface and Intermediate casing | | |
| Corrective Action: | | | Date: |
| Type: Other | # 1 | | |
| Comment: | Wellhead tree. 297-10B6 well | | |
| Corrective Action: | | | Date: |

Venting:

| | | | |
|--------------------|----|--|-------|
| Yes/No | NO | | |
| Comment: | | | |
| Corrective Action: | | | Date: |

Flaring:

| | | | |
|--------------------|--|--|-------|
| Type | | | |
| Comment: | | | |
| Corrective Action: | | | Date: |

| Inspected Facilities | | | | |
|--|-------------------------------|-------|------|---|
| Facility ID: | 299793 | Type: | WELL | API Number: 103-11420 Status: PR Insp. Status: PR |
| Producing Well | | | | |
| Comment: | August 2024 Production Report | | | |
| Corrective Action: | | Date: | | |
| The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12 | | | | |
| Facility ID: | 299794 | Type: | WELL | API Number: 103-11421 Status: PR Insp. Status: PR |
| Producing Well | | | | |
| Comment: | August 2024 Production Report | | | |
| Corrective Action: | | Date: | | |
| The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12 | | | | |
| Facility ID: | 299795 | Type: | WELL | API Number: 103-11422 Status: PR Insp. Status: PR |
| Producing Well | | | | |
| Comment: | August 2024 Production Report | | | |
| Corrective Action: | | Date: | | |
| The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12 | | | | |
| Facility ID: | 299796 | Type: | WELL | API Number: 103-11423 Status: PR Insp. Status: PR |
| Producing Well | | | | |
| Comment: | August 2024 Production Report | | | |
| Corrective Action: | | Date: | | |
| The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12 | | | | |
| Facility ID: | 299797 | Type: | WELL | API Number: 103-11424 Status: PR Insp. Status: PR |
| Producing Well | | | | |
| Comment: | August 2024 Production Report | | | |
| Corrective Action: | | Date: | | |
| The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12 | | | | |
| Facility ID: | 299798 | Type: | WELL | API Number: 103-11425 Status: PR Insp. Status: PR |
| Producing Well | | | | |
| Comment: | August 2024 Production Report | | | |
| Corrective Action: | | Date: | | |
| The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12 | | | | |
| Facility ID: | 299799 | Type: | WELL | API Number: 103-11426 Status: PR Insp. Status: PR |
| Producing Well | | | | |
| Comment: | August 2024 Production Report | | | |
| Corrective Action: | | Date: | | |
| The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12 | | | | |
| Facility ID: | 299800 | Type: | WELL | API Number: 103-11427 Status: PR Insp. Status: PR |
| Producing Well | | | | |
| Comment: | August 2024 Production Report | | | |
| Corrective Action: | | Date: | | |
| The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12 | | | | |

| | | | |
|-----------------------|-------------------------------|-------|--|
| Producing Well | | | |
| Comment: | August 2024 Production Report | | |
| Corrective Action: | | Date: | |

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

| | | | | | | | | | |
|--------------|--------|-------|------|-------------|-----------|---------|----|---------------|----|
| Facility ID: | 299801 | Type: | WELL | API Number: | 103-11428 | Status: | PR | Insp. Status: | PR |
|--------------|--------|-------|------|-------------|-----------|---------|----|---------------|----|

| | | | |
|-----------------------|-------------------------------|-------|--|
| Producing Well | | | |
| Comment: | August 2024 Production Report | | |
| Corrective Action: | | Date: | |

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

| | | | | | | | | | |
|--------------|--------|-------|------|-------------|-----------|---------|----|---------------|----|
| Facility ID: | 300296 | Type: | WELL | API Number: | 103-11433 | Status: | PR | Insp. Status: | PR |
|--------------|--------|-------|------|-------------|-----------|---------|----|---------------|----|

| | | | |
|-----------------------|-------------------------------|-------|--|
| Producing Well | | | |
| Comment: | August 2024 Production Report | | |
| 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 |
|------------------|-----------------|-------------------------|-----------------------|--|--------------------------|-----------------------------|
| | | | | Material Handling And Spill Prevention | Fail | Containments full of liquid |
| | | Drains | | | | |
| | | Ditches | | | | |
| Berms | | | | | | |
| Ditches | | | | | | |
| Drains | | | | | | |

Comment: Operator is responsible for maintaining Best Management Practices (BMPs) to control vehicle tracking and potential sediment discharges from operational roads, well pads, and other unpaved surfaces.

Corrective Action:

Date:

Pits: ☒ NO SURFACE INDICATION OF PIT

Attached Documents

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

| Document Num | Description | URL |
|--------------|-------------------|---|
| 715500871 | Inspection Photos | https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6765704 |