

**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:

11/26/2024

Submitted Date:

11/26/2024

Document Number:

715500940**FIELD INSPECTION FORM**Loc ID 336008 Inspector Name: Burchett, Kirby On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**ECMC 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:18 Number of Comments1 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 | |
| Energy, QB | (970) 285-2600 | ecmc.inspections@qb-energy.com | |
| Inspections, Caerus | (970) 285-2600 | COGCC.inspections@caerus-oilandgas.com | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|-----------------------|-------------|
| 295697 | WELL | PR | 07/01/2017 | GW | 103-11263 | FREEDOM UNIT 297-28C2 | PR |
| 295698 | WELL | PR | 06/01/2017 | GW | 103-11262 | FREEDOM UNIT 297-28C1 | PR |

General Comment:**ECMC Inspection Report Summary**

On Tuesday, 11/26/2024, Inspector Kirby Burchett, conducted a routine field inspection at Caerus Piceance – QB Energy on the Freedom Unit 62S97W 28SENE pad, Location #336008, 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 issue was observed:

1. No sign at tank battery.
- Refer to Inspection Photos for observed compliance issues.

A follow up on this site inspection will be conducted to ensure observed compliance issue has been corrected to comply with ECMC rules.

LocationOverall Good: ☐**Signs/Marker:**

| | | | |
|--------------------|--|-------|------------|
| Type | TANK LABELS/PLACARDS | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | WELLHEAD | | |
| Comment: | As Wellhead signs are replaced: The Well name; The API Number; and Its legal location, including the quarter/quarter section will be required. | | |
| Corrective Action: | | Date: | |
| Type | BATTERY | | |
| Comment: | No sign | | |
| Corrective Action: | The Tank battery sign will be no less than 3 square feet and no more than 6 square feet, and will provide: 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 Tank battery site; Well name(s) and API number(s) associated with the Tank battery and the legal location of the Well(s); and Location, including the quarter/quarter section, of the Tank battery. | Date: | 12/27/2024 |
| 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: | | | |
| Corrective Action: | | Date: | |

Emergency Contact Number:

Comment: 970-285-2615

Corrective Action:

Date: _____

Good Housekeeping:

| | | | |
|--------------------|---|-------|--|
| Type | DEBRIS | | |
| Comment: | All excess materials, rubbish, supplies, trash, or other waste material will be properly contained until removed from the Oil and Gas Location. At no time will debris be placed or remain on the ground. | | |
| Corrective Action: | | Date: | |
| Type | UNUSED EQUIPMENT | | |
| Comment: | All equipment not hooked up or out of service will be removed from location. | | |
| Corrective Action: | | Date: | |

Overall Good: ☐**Spills:**

| | | | | |
|------|------|--------|--|--|
| Type | Area | Volume | | |
|------|------|--------|--|--|

In Containment: No

Comment:

☐ Multiple Spills and Releases?

| | | | |
|--------------------|---------------|-------|--|
| Fencing/: | | | |
| Type | TANK BATTERY | | |
| Comment: | Corral panels | | |
| Corrective Action: | | Date: | |
| Type | SEPARATOR | | |
| Comment: | Corral panels | | |
| Corrective Action: | | Date: | |
| Type | LOCATION | | |
| Comment: | Barbed wire | | |
| Corrective Action: | | Date: | |
| Type | WELLHEAD | | |
| Comment: | Corral panels | | |
| Corrective Action: | | Date: | |

| | | | |
|----------------------------|---|-------|-----------------|
| Equipment: | | | corrective date |
| Type: Gas Meter Run | # 1 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Ancillary equipment | # 1 | | |
| Comment: | Chemical tank on containment | | |
| Corrective Action: | | Date: | |
| Type: Bradenhead | # 4 | | |
| Comment: | Surface and Intermediate casing. 2 wells on location. | | |
| Corrective Action: | | Date: | |
| Type: Deadman # & Marked | # 1 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Plunger Lift | # 2 | | |
| Comment: | 2 wells on location | | |
| Corrective Action: | | Date: | |
| Type: Horizontal Separator | # 1 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Tanks and Berms:

| | | | | | | |
|--------------------|---|----------|-----------|---------|--------|-------|
| Contents | # | Capacity | Type | Tank ID | SE GPS | |
| CONDENSATE | 1 | 400 BBLS | STEEL AST | | , | |
| Comment: | | | | | | |
| Corrective Action: | | | | | | Date: |

Paint

| | | |
|-----------------|----------|--|
| Condition | Adequate | |
| Other (Content) | | |

| | |
|------------------|--|
| Other (Capacity) | |
| Other (Type) | |

Berms

| | | | | |
|--------------------|----------|---------------------|---------------------|-------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Earth | Adequate | | | |
| Comment: | Lined | | | |
| Corrective Action: | | | | Date: |

Venting:

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

Flaring:

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

| Inspected Facilities | | | | | | | | | |
|--|----------------------------------|-------|------|-------------|-----------|---------|----|---------------|----|
| Facility ID: | 295697 | Type: | WELL | API Number: | 103-11263 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | September 2024 Production Report | | | | | | | | |
| Corrective Action: | | | | | | Date: | | | |
| The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12 | | | | | | | | | |
| Facility ID: | 295698 | Type: | WELL | API Number: | 103-11262 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | September 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 | | |
| Gradient Terraces | | | | | | |
| Berms | | | | | | |
| | | Ditches | | | | |
| Ditches | | | | | | |

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 |
|--------------|----------------------|---|
| 404008809 | INSPECTION SUBMITTED | https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6802801 |
| 715500942 | Inspection Photos | https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6802794 |