

**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:

01/08/2025

Submitted Date:

01/11/2025

Document Number:

708905451**FIELD INSPECTION FORM**Loc ID 433706 Inspector Name: Smelser, Wayne On-Site Inspection ☐ 2A Doc Num: 400439904**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:**

32 Number of Comments

1 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 |
|--------------|-------|--------------------------------|---------|
| QB Energy | | ecmc.inspections@qb-energy.com | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|--------------------|-------------|
| 433723 | WELL | PR | 07/01/2019 | GW | 045-22113 | Rose 22-9C (K22W) | PR |
| 433727 | WELL | PR | 06/05/2014 | GW | 045-22117 | Rose 22-11B (K22W) | PR |
| 433728 | WELL | PR | 07/11/2014 | GW | 045-22118 | Rose 22-1C (K22W) | PR |
| 433734 | WELL | PR | 07/11/2014 | GW | 045-22122 | Rose 22-12C (K22W) | PR |

General Comment:**CECMC Inspection Report Summary**

On 01/08/2025 at approximately 15:30 hours, I, Compliance Specialist, Wayne Smelser

Conducted an on-site inspection at QB Energy Rose 22-9C (K22W) Pad.

Location # 433706 in Garfield County Colorado.

Location is within High Priority/Density/NSO/Black Bear Habitat areas.

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

Location is approximately 115 yards from West Mamm Creek & approximately 257 yards from Dry Creek.

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 01/31/2025

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**Lease Road:**

| | | | |
|-------------------|--------|-------|--|
| Type | Access | | |
| comment: | | | |
| Corrective Action | L | Date: | |

Overall Good: ☐**Signs/Marker:**

| | | | |
|--------------------|--|-------|--|
| Type | BATTERY | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | WELLHEAD | | |
| Comment: | Signs at separators | | |
| Corrective Action: | | Date: | |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | 1 tank label contains inaccurate information - please refer to photo log | | |
| 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 | CONTAINERS | | |
| Comment: | Chemical tank | | |
| Corrective Action: | | Date: | |

Emergency Contact Number:

Comment: 911/970-285-2615

Corrective Action:

Date: _____

Good Housekeeping:

| | | | |
|--------------------|--|-------|--|
| Type | DEBRIS | | |
| Comment: | Small amount of debris near wellheads - please refer to photo log | | |
| Corrective Action: | | Date: | |
| Type | OTHER | | |
| Comment: | Small amount of staining near wellhead - please refer to photo log | | |
| Corrective Action: | | Date: | |

Overall Good: ☐**Spills:**

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

In Containment: No

Comment:

☐ Multiple Spills and Releases?

| | | | |
|---------------------------------|---|-------|-----------------|
| Fencing/: | | | |
| Type | SEPARATOR | | |
| Comment: | Jersey barriers | | |
| Corrective Action: | | Date: | |
| Type | WELLHEAD | | |
| Comment: | Hog panels | | |
| Corrective Action: | | Date: | |
| Type | OTHER | | |
| Comment: | Summit Midstream meter house - Bollards | | |
| Corrective Action: | | Date: | |
| Type | LOCATION | | |
| Comment: | Barbed wire fence | | |
| Corrective Action: | | Date: | |
| Type | OTHER | | |
| Comment: | Chemical tank - Jersey barriers | | |
| Corrective Action: | | Date: | |
| Equipment: | | | corrective date |
| Type: Plunger Lift | # 4 | | |
| Comment: | All wells on plunger lift | | |
| Corrective Action: | | Date: | |
| Type: Gas Meter Run | # 4 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Bradenhead | # 4 | | |
| Comment: | Pressure transducers located on bradenheads, bradenhead valves are accessible. | | |
| Corrective Action: | | Date: | |
| Type: Bird Protectors | # 2 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Gas Meter Run | # 1 | | |
| Comment: | Summit Midstream | | |
| Corrective Action: | | Date: | |
| Type: Ancillary equipment | # 1 | | |
| Comment: | Chemical tank Equipment not listed in FORM 2A or FORM 4 SUNDRY/not in compliance with CECMC rules If operator remains out of compliance corrective action may be issued in future inspections | | |
| Corrective Action: | | Date: | |
| Type: Vertical Heated Separator | # 4 | | |
| Comment: | | | |

| | | | |
|-------------------------------|--|-------|--|
| Corrective Action: | | Date: | |
| Type: Emission Control Device | # 1 | | |
| Comment: | Equipment not listed in FORM 2A or FORM 4 SUNDRY/not in compliance with CECMC rules If operator remains out of compliance corrective action may be issued in future inspections | | |
| Corrective Action: | | Date: | |

Tanks and Berms:

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

Paint

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

Berms

| | | | | |
|--------------------|-------------------------|---------------------|---------------------|-------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Metal | | | | |
| Comment: | Centralized containment | | | |
| Corrective Action: | | | Date: | |

| | | | | | |
|--------------------|-------------------------------|----------|-----------|---------|--------|
| Contents | # | Capacity | Type | Tank ID | SE GPS |
| CONDENSATE | 2 | 500 BBLS | STEEL AST | | , |
| Comment: | Tanks equipped with telemetry | | | | |
| Corrective Action: | | | | Date: | |

Paint

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

Berms

| | | | | |
|--------------------|--|---------------------|---------------------|------------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Metal | Inadequate | Walls Insufficient | | Inadequate |
| Comment: | Hole in secondary containment liner/liner needs maintenance Centralized containment | | | |
| Corrective Action: | The liner will be sufficiently impervious so that any discharge from a primary containment system will not escape containment before cleanup occurs. | | | Date: 01/31/2025 |

Venting:

| | | |
|----------|----|--|
| Yes/No | NO | |
| Comment: | | |

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

| Inspected Facilities | | | | | | | | | |
|--|---------------------------------|-------|------|-------------|-----------|---------|----|---------------|----|
| Facility ID: | 433723 | Type: | WELL | API Number: | 045-22113 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | Producing, well on plunger lift | | | | | | | | |
| Corrective Action: | | | | | | Date: | | | |
| The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12 | | | | | | | | | |
| Facility ID: | 433727 | Type: | WELL | API Number: | 045-22117 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | Producing, well on plunger lift | | | | | | | | |
| Corrective Action: | | | | | | Date: | | | |
| The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12 | | | | | | | | | |
| Facility ID: | 433728 | Type: | WELL | API Number: | 045-22118 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | Producing, well on plunger lift | | | | | | | | |
| Corrective Action: | | | | | | Date: | | | |
| The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12 | | | | | | | | | |
| Facility ID: | 433734 | Type: | WELL | API Number: | 045-22122 | Status: | PR | Insp. Status: | PR |
| Producing Well | | | | | | | | | |
| Comment: | Producing, well on plunger lift | | | | | | | | |
| 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 |
|------------------|-----------------|-------------------------|-----------------------|--|--------------------------|----------------------------------|
| Compaction | | | | | | Small amount of light compaction |
| Gravel | | | | | | Sparse in some areas |
| | | Gravel | | | | Sparse to none in areas |
| Berms | | | | | | |
| | | Compaction | | | | |
| | | Ditches | | | | |
| | | Culverts | | | | |
| | | | | Material Handling And Spill Prevention | | Chemical tank containment |

Comment: Corrective Action: Date: **Pits:** ☒ NO SURFACE INDICATION OF PIT**ECMC Comments**

| Comment | User | Date |
|--|----------|------------|
| Please refer to Tanks & Berms for corrective action & also refer to Signs/Marker, Housekeeping & Equipment for comments. | smelserw | 01/11/2025 |

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

| Document Num | Description | URL |
|--------------|---|---|
| 708905452 | Inspection 708905451 photo log | https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6872300 |
| 708905453 | Inspection 708905451 Stormwater photo log | https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6872301 |