

**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:

01/15/2025

Submitted Date:

01/20/2025

Document Number:

708905538

FIELD INSPECTION FORM

Loc ID 334617 Inspector Name: Smelser, Wayne 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:

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

Findings:

- 22 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 |
|--------------|-------|--------------------------------|---------|
| QB Energy | | ecmc.inspections@qb-energy.com | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|------------------------|-------------|
| 259138 | WELL | PR | 06/01/2002 | GW | 045-07690 | ROSE RANCH 14-5 (H15) | PR |
| 259139 | WELL | PR | 06/01/2002 | GW | 045-07691 | ANDREW 15-1 (H15) | PR |
| 259140 | WELL | PR | 06/01/2002 | GW | 045-07692 | ROSE RANCH 15-10 (H15) | PR |
| 259141 | WELL | SI | 02/01/2023 | GW | 045-07693 | ROSE RANCH 15-7 (H15) | SI |

General Comment:

CECMC Inspection Report Summary
On 01/15/2025 at approximately 15:18 hours, I, Compliance Specialist, Wayne Smelser Conducted an on-site inspection at QB Energy PARKER RANCH (H15) Pad. Location # 334617 in Garfield County Colorado. Location is within High Priority/Density/Black Bear Habitat areas. Location is in close proximity to Rule 411b Generalized External Buffer. While there, I observed normal production operations.

During this inspection the following compliance issues were observed:

1. Equipment - Open ended load line with a CA date of 01/27/2025
2. Tanks & Berms - Holes in secondary containment liner/liner needs maintenance with a CA date of 02/09/2025

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 | | | Date: |

Overall Good:

| | | | |
|----------------------|--|--|-------|
| Signs/Marker: | | | |
| Type | WELLHEAD | | |
| Comment: | Signs at separators | | |
| Corrective Action: | | | Date: |
| Type | OTHER | | |
| Comment: | Sign at entrance to location | | |
| 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: |

| | | | |
|----------------------------------|------------------|--|-------------|
| Emergency Contact Number: | | | |
| Comment: | 911/970-285-2615 | | |
| Corrective Action: | | | Date: _____ |

Overall Good:

| Spills: | | | |
|----------------|------|--------|--|
| Type | Area | Volume | |

In Containment: No _____

Comment: _____

Multiple Spills and Releases?

| | | | |
|-----------------------|-----|--|-----------------|
| Equipment: | | | corrective date |
| Type: Bird Protectors | # 4 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Gas Meter Run | # 4 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |

| | | |
|-----------------------------------|---|------------------|
| Type: Plunger Lift | # 2 | |
| Comment: | ROSE RANCH 15-7 & ANDREW 15-1 wells not on plunger lift ROSE RANCH 14-5 & ROSE RANCH 15-10 wells on plunger lift | |
| Corrective Action: | | Date: |
| Type: Horizontal Heated Separator | # 4 | |
| Comment: | | |
| Corrective Action: | | Date: |
| Type: Ancillary equipment | # 1 | |
| Comment: | Cataflow | |
| Corrective Action: | | Date: |
| Type: Other | # 1 | |
| Comment: | Portable toilet | |
| Corrective Action: | | Date: |
| Type: Gas Meter Run | # 1 | |
| Comment: | Summit Midstream | |
| Corrective Action: | | Date: |
| Type: Other | # 1 | |
| Comment: | Open ended load line | |
| Corrective Action: | All load lines will be capped or plugged | Date: 01/27/2025 |
| Type: Bradenhead | # 4 | |
| Comment: | Pressure transducers located on bradenheads, bradenhead valves are accessible. | |
| Corrective Action: | | Date: |

Tanks and Berms:

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|---|----------|-----------|---------|--------|
| METHANOL | 1 | 1000 GAL | STEEL AST | | , |
| Comment: | | | | | |
| 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 | 3 | 300 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: Holes in secondary containment liner/liner needs maintenance | | | | |
| 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: <u>02/09/2025</u> |

Venting:

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

Flaring:

| | |
|--------------------|-------|
| Type | |
| Comment: | |
| 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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|-----------------------------------|
| Rip Rap | | | | | | |
| | | Culverts | | | | |
| | | Compaction | | | | Light compaction in some sections |
| Berms | | | | | | |
| Compaction | | | | | | |
| | | Ditches | | | | |
| | | Gravel | | | | Sparse to none in sections |

Comment: [Limited Stormwater inspection due to snow](#)

Corrective Action:

Date: _____

Pits: NO SURFACE INDICATION OF PIT

ECMC Comments

| Comment | User | Date |
|--|----------|------------|
| Please refer to Equipment & Tanks & Berms for corrective actions | smelserw | 01/20/2025 |

Attached Documents

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

| Document Num | Description | URL |
|--------------|---|---|
| 404063795 | INSPECTION SUBMITTED | https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6883081 |
| 708905539 | Inspection 708905538 Stormwater photo log | https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6883074 |
| 708905540 | Inspection 708905538 photo log | https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6883075 |