

**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:

02/10/2025

Submitted Date:

02/10/2025

Document Number:

708905719

FIELD INSPECTION FORM

Loc ID 334915 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:

- 29 Number of Comments
- 4 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
261557	WELL	PR	09/23/2002	GW	045-07965	HILL 16-5B1 (E 16)	PR
261558	WELL	PR	07/01/2018	GW	045-07966	HILL 16-12A1 (E 16)	PR
261559	WELL	PR	07/08/2004	GW	045-07967	HILL 16-4A1 (E16)	PR
270096	WELL	PR	04/01/2018	GW	045-09454	HILL 16-5 (E16)	PR
270097	WELL	PR	08/01/2020	GW	045-09453	HILL 16-4D (E16)	PR
270936	WELL	PR	12/18/2003	GW	045-09806	HILL 16-6 (E16)	PR

General Comment:

[CECMC Inspection/Audit Report Summary](#)
On 02/10/2025 at approximately 12:26 hours, I, Compliance Specialist, Wayne Smelser Conducted an on-site inspection/audit at QB Energy HILL 16-5B1 (E16) Pad. Location # 334915 in Garfield County Colorado. Location is within High Priority/Density/Black Bear Habitat areas & in close proximity to NSO Habitat area. Location is approximately 198 yards from East Mamm Creek. While there, I observed normal production operations.

During this inspection/audit the following compliance issues were observed:

1. Equipment - Flowline heating insulation open ended/wildlife hazard with a CA date of 02/17/2025
2. Equipment - Valves used for annular pressure monitoring buried & not exposed with a CA date of 02/20/2025
3. Tanks & Berms - Holes in liner/liner needs maintenance with a CA date of 03/02/2025
4. Stormwater - Erosion & transport of sediment off location/insufficient BMP's with a CA date of 02/25/2025

A follow up on this site inspection/audit needs to be conducted to ensure the compliance issues have been corrected to comply with CECMC rules. This is a summary of inspection/audit report.

Location

Lease Road:			
Type	Access		
comment:			
Corrective Action			Date:

Overall Good:

Signs/Marker:			
Type	OTHER		
Comment:	Sign at entrance to location		
Corrective Action:			Date:
Type	BATTERY		
Comment:			
Corrective Action:			Date:
Type	WELLHEAD		
Comment:	Signs at separators		
Corrective Action:			Date:
Type	OTHER		
Comment:	Sign at intersection of Jenkins Cutoff & start of lease road		
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	TANK LABELS/PLACARDS		
Comment:	Tank label contains inaccurate information - please refer to photo log		
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: Gas Meter Run	# 1		
Comment:	Summit Midstream		
Corrective Action:			Date:

Type: Bird Protectors	# 2		
Comment:			
Corrective Action:			Date:
Type: Ancillary equipment	# 1		
Comment:	Chemical tank		
Corrective Action:			Date:
Type: Other	# 1		
Comment:	Flowline heating insulation open ended/wildlife hazard/available for entry by wildlife		
Corrective Action:	Comply with CECMC wildlife rules		Date: 02/17/2025
Type: Gas Meter Run	# 6		
Comment:			
Corrective Action:			Date:
Type: Bradenhead	# 6		
Comment:	Valves on the HILL 16-4A1 well that are used for annular pressure monitoring are buried & not exposed/not in compliance with CECMC rules Pressure transducers located on all bradenheads, remaining 5 wells bradenhead valves are accessible.		
Corrective Action:	Comply with CECMC bradenhead rules		Date: 02/20/2025
Type: Vertical Heated Separator	# 6		
Comment:			
Corrective Action:			Date:
Type: Plunger Lift	# 6		
Comment:	All wells on plunger lift		
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	2	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:
					03/02/2025
Venting:					
Yes/No	NO				
Comment:					
Corrective Action:					Date:
Flaring:					
Type					
Comment:					
Corrective Action:					Date:

Inspected Facilities									
Facility ID:	261557	Type:	WELL	API Number:	045-07965	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift							Date:	
Corrective Action:								Date:	
The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12									
Facility ID:	261558	Type:	WELL	API Number:	045-07966	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift							Date:	
Corrective Action:								Date:	
The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12									
Facility ID:	261559	Type:	WELL	API Number:	045-07967	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift							Date:	
Corrective Action:								Date:	
The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12									
Facility ID:	270096	Type:	WELL	API Number:	045-09454	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift							Date:	
Corrective Action:								Date:	
The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12									
Facility ID:	270097	Type:	WELL	API Number:	045-09453	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift							Date:	
Corrective Action:								Date:	
The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12									
Facility ID:	270936	Type:	WELL	API Number:	045-09806	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift							Date:	
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		Chemical tank containment
Ditches						
		Culverts				
Other	Fail					Erosion & transport of sediment off location
Berms						
Compaction						Light compaction in some areas
		Gravel				Sparse to none in sections
		Ditches				
Gravel						Sparse to none in most areas
		Compaction				Light compaction in some areas

Comment:

Corrective Action:

Date:

Pits: NO SURFACE INDICATION OF PIT

ECMC Comments

Comment	User	Date
Please refer to Equipment, Tanks & Berms & Stormwater for corrective actions & also refer to Signs/Marker for comments.	smelserw	02/10/2025

Attached Documents

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

Document Num	Description	URL
708905720	Inspection/Audit 708905719 Stormwater photo log	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6912721
708905721	Inspection/Audit 708905719 photo log	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6912722