

**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: _____**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:**

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	L	Date:	

Overall Good: ☐

Signs/Marker:			
Type	TANK LABELS/PLACARDS		
Comment:	Tank label contains inaccurate information - please refer to photo log		
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	OTHER		
Comment:	Sign at entrance to location		
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: Gas Meter Run	# 6		
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: Bird Protectors	# 2	
Comment:		
Corrective Action:		Date:
Type: Plunger Lift	# 6	
Comment:	All wells on plunger lift	
Corrective Action:		Date:
Type: Vertical Heated Separator	# 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: Gas Meter Run	# 1	
Comment:	Summit Midstream	
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

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

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

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

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

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

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
Ditches						
		Culverts				
Other	Fail					Erosion & transport of sediment off location
Berms						
Compaction						Light compaction in some areas
		Ditches				
Gravel						Sparse to none in most areas
		Compaction				Light compaction in some areas
		Gravel				Sparse to none in sections
				Material Handling And Spill Prevention		Chemical tank containment

Comment: 1. Erosion & transport of sediment off location/insufficient BMP's

Corrective Action: Comply with CECMC Stormwater rules

Date: 02/25/2025

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

Document Num	Description	URL
404088375	INSPECTION SUBMITTED	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6912723
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