

**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:

04/24/2025

Submitted Date:

04/26/2025

Document Number:

708906351**FIELD INSPECTION FORM**Loc ID 334859 Inspector Name: Smelser, Wayne 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:**28 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
Katz, Aaron		aaron.katz@state.co.us	
QB Energy		ecmc.inspections@qb-energy.com	
Haverkamp, Curtis		curtis.haverkamp@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
211532	WELL	PR	07/15/1998	GW	045-07292	BOULTON 33-6	PR
261014	WELL	PR	01/16/2003	GW	045-07925	SHIDELER 33-3A (F33)	PR
261015	WELL	PR	01/07/2003	GW	045-07926	SHIDELER 33-3 (F33)	PR
261016	WELL	PR	01/12/2003	GW	045-07927	BOULTON 33-6A (F33)	PR
263373	WELL	PR	01/21/2003	GW	045-08127	SHIDELER 33-4C2 (F33)	PR

General Comment:**CECMC Inspection/Audit Report Summary**

On 04/24/2025 at approximately 14:45 hours, I, Compliance Specialist, Wayne Smelser

Conducted an on-site inspection/audit at QB Energy BOULTON 33-6 (F33) Pad

Location # 334859 in Garfield County Colorado.

Location is within High Priority/Density/Black Bear Habitat areas & Bald Eagle Roost Site.

Location is approximately 330 yards from Multa Trina Ditch.

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/available for entry by wildlife with a CA date of 05/03/2025

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	OTHER		
Comment:	Upon the Director's approval of a Form 9 the Buying Operator will have 60 days to replace or update all signs at the Oil and Gas Location so that the signs comply with Rule 605.		
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:	Signs at separators		
Corrective Action:		Date:	
Type	OTHER		
Comment:	Sign at intersection of Mamm Creek Road & start of lease road		
Corrective Action:		Date:	
Type	BATTERY		
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	TANK LABELS/PLACARDS		
Comment:			
Corrective Action:		Date:	
Type	OTHER		
Comment:	Sign at entrance to location		
Corrective Action:		Date:	

Emergency Contact Number:

Comment: 911/970-285-2615

Corrective Action:

Date: _____

Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

Comment:

☐ Multiple Spills and Releases?

Fencing/:			
Type	LOCATION		
Comment:	Barbed wire fence		
Corrective Action:		Date:	

Equipment:			corrective 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:	05/03/2025
Type: Ancillary equipment	# 1		
Comment:	Liquid nitrogen tank No FORM 4 SUNDRY for equipment/not in compliance with CECMC rules		
Corrective Action:		Date:	
Type: Gas Meter Run	# 5		
Comment:			
Corrective Action:		Date:	
Type: Bradenhead	# 5		
Comment:	Pressure transducers located on bradenheads, bradenhead valves are accessible		
Corrective Action:		Date:	
Type: Bird Protectors	# 2		
Comment:			
Corrective Action:		Date:	
Type: Plunger Lift	# 5		
Comment:	All wells on plunger lift		
Corrective Action:		Date:	
Type: Gas Meter Run	# 1		
Comment:	Summit Midstream		
Corrective Action:		Date:	
Type: Vertical Heated Separator	# 5		
Comment:			
Corrective Action:		Date:	

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS	
CONDENSATE	1	300 BBLS	HEATED 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	Adequate				
Comment: Centralized containment					
Corrective Action:				Date:	
Contents	#	Capacity	Type	Tank ID	SE GPS
CONDENSATE	1	300 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	Adequate				
Comment: Centralized containment					
Corrective Action:				Date:	
Contents	#	Capacity	Type	Tank ID	SE GPS
METHANOL	1	1000 GAL	STEEL AST		,
Comment:					
Corrective Action:				Date:	

Paint

Condition	Inadequate
Other (Content)	
Other (Capacity)	
Other (Type)	

Berms

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

Venting:

Yes/No	NO		
Comment:			
Corrective Action:		Date:	

Flaring:

Type	
Comment:	

Corrective Action:		Date:	
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Inspected Facilities

Facility ID: 211532 Type: WELL API Number: 045-07292 Status: PR Insp. Status: PR

Producing Well

Comment: Producing, well on plunger lift

Corrective Action:

Date:

BradenHead

Date of Last Brhd Test: 05/22/2024

Annual Brhd Completed?

Last Brhd Test Results Initial Surf Csg Pressure: 151 Fluid Type: WATER H2O

End Surf Csg Pressure: 10

Comment: BH pressure transducer tied into SCADA to monitor pressure - FORM 4 SUNDRY document #'s 403215210 & 403453541

BH line tied into flowline & also tied into separator at the A valve bypass - FORM 4 SUNDRY document # 403860061
(Valves on flowline tie in appear to be shut & the valves on the BH tie in to the separator at the A valve bypass appear to be open.)

Gas samples collected 03/10/2025

Please refer to FORM 4 SUNDRY document # 403860061 - Operator has failed to comply with COA's 4 & 8

Corrective Action:

Date:

The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

Facility ID: 261014 Type: WELL API Number: 045-07925 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: 261015 Type: WELL API Number: 045-07926 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: 261016 Type: WELL API Number: 045-07927 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: 263373 Type: WELL API Number: 045-08127 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						
Ditches						
Berms						
		Gravel				Sparse to none
		Rip Rap				
		Compaction				Small amount of light compaction
		Culverts				
Gravel						Sparse to none in most areas
		Ditches				

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

Comment	User	Date
Please refer to Equipment for corrective action & also refer to Signs/Marker, Equipment & Inspected Facilities for comments.	smelserw	04/26/2025

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

Document Num	Description	URL
708906352	Inspection/Audit 708906351 Stormwater photo log	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7024121
708906353	Inspection/Audit 708906351 photo log	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7024122