

State of Colorado
Energy & Carbon Management Commission

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SUNDRY NOTICE

This form is required for reports, updates, and requests as specified in the ECMC rules. It is also used to request changes to some aspects of approved permits for Wells and Oil and Gas Locations.

ECMC Operator Number: <u>10456</u>	Contact Name <u>Waylon Bennett</u>
Name of Operator: <u>CAERUS PICEANCE LLC</u>	Phone: <u>(720) 498-8651</u>
Address: <u>1001 17TH STREET #1600</u>	Fax: ()
City: <u>DENVER</u> State: <u>CO</u> Zip: <u>80202</u>	Email: <u>wbennett@qb-energy.com</u>

FORM 4 SUBMITTED FOR:

Facility Type: LOCATION

API Number : 05- 077 00 ID Number: 334263

Name: DIVIDE CREEK UNIT-68S91W Number: 26SWNE

Location QtrQtr: SWNE Section: 26 Township: 8S Range: 91W Meridian: 6

County: MESA Field Name: DIVIDE CREEK

Oil & Gas Location(s) and Oil & Gas Development Plan (OGDP) Information

Location(s)

Location ID	Location Name and Number
334263	DIVIDE CREEK UNIT-68S91W 26SWNE

OGDP(s)

No OGDP

WELL LOCATION CHANGE OR AS-BUILT GPS REPORT

- Change of Location for Well * As-Built GPS Location Report As-Built GPS Location Report with Survey

* Well Location Change requires a new Plat.

SURFACE LOCATION GPS DATA Data must be provided for Change of Surface Location and As Built Reports.

Latitude _____ Longitude _____

GPS Quality Value: _____ Type of GPS Quality Value: _____ Measurement Date: _____

Well Ground Elevation: _____ feet (Required for change of Surface Location.)

WELL LOCATION CHANGE

Well plan is: _____ (Vertical, Directional, Horizontal)

				FNL/FSL		FEL/FWL				
Change of Surface Footage From :				2142	FNL	1492	FEL			
Change of Surface Footage To :										
Current Surface Location From	QtrQtr	SWNE	Sec	26	Twp	8S	Range	91W	Meridian	6
New Surface Location To	QtrQtr		Sec		Twp		Range		Meridian	
Change of Top of Productive Zone Footage From :										
Change of Top of Productive Zone Footage To :										**
Current Top of Productive Zone Location			Sec		Twp		Range			
New Top of Productive Zone Location			Sec		Twp		Range			

Change of **Base of Productive Zone** Footage **From:**

Change of **Base of Productive Zone** Footage **To:**

**

Current **Base of Productive Zone** Location

Sec

Twp

Range

New **Base of Productive Zone** Location

Sec

Twp

Range

Change of **Bottomhole** Footage **From:**

Change of **Bottomhole** Footage **To:**

**

Current **Bottomhole** Location

Sec

Twp

Range

** attach deviated drilling plan

New **Bottomhole** Location

Sec

Twp

Range

SAFETY SETBACK INFORMATION

Required for change of Surface Location.

Distance from Well to nearest:

- Building: _____ Feet
- Building Unit: _____ Feet
- Public Road: _____ Feet
- Above Ground Utility: _____ Feet
- Railroad: _____ Feet
- Property Line: _____ Feet

INSTRUCTIONS:

- Specify all distances per Rule 308.b.(1).
- Enter 5280 for distance greater than 1 mile.
- Building - nearest building of any type. If nearest Building is a Building Unit, enter same distance for both.
- Building Unit – as defined in 100 Series Rules.

SUBSURFACE MINERAL SETBACKS

Required for change of Top and/or Base of Productive Zone. Enter 5280 for distance greater than 1 mile.

Is this Well within a unit? _____

If YES:

Enter the minimum distance from the Completed Zone of this Well to the Unit Boundary: _____ Feet

Enter the minimum distance from the Completed Zone of this Well to the Completed Zone of an offset Well within the same unit permitted or completed in the same formation: _____ Feet

If NO:

Enter the minimum distance from the Completed Zone of this Well to the Lease Line of the described lease: _____ Feet

Enter the minimum distance from the Completed Zone of this Well to the Completed Zone of an offset Well producing from the same lease and permitted or completed in the same formation: _____ Feet

Exception Location

If this Well requires the approval of a Rule 401.c Exception Location, enter the Rule or spacing order number and attach the Exception Location Request and Waivers. _____

LOCATION CHANGE COMMENTS

Comments:

ENGINEERING AND ENVIRONMENTAL WORK

REPORT OF TEMPORARY ABANDONMENT

Describe the method used to ensure that the Well is closed to the atmosphere and the Operator's plans for future operation of the Well in the COMMENTS box below as required by Rule 434.b.(1).

REQUEST FOR TEMPORARY ABANDONMENT EXCEEDING 6 MONTHS

State the reason for the extension request and explain the Operator's plans for future operation of the Well in the COMMENTS box below as required by Rule 434.b.(3).

Date well temporarily abandoned _____

Has Production Equipment been removed from site? _____

Mechanical Integrity Test (MIT) required. Date of last MIT _____

TECHNICAL ENGINEERING AND ENVIRONMENTAL WORK

Details of work must be described in full in the COMMENTS below or provided as an attachment.

NOTICE OF INTENT/REQUEST FOR APPROVAL Approximate Start Date 10/07/2024

SUBSEQUENT REPORT Date of Activity _____

- Bradenhead Plan
 - Change Drilling Plan
 - Gross Interval Change
 - Underground Injection Control
 - Request approval of Reuse and Recycling Plan per Rule 905.a.(3). (Reuse and Recycling Plan must be attached.)
 - Request approval of Alternative Sampling Plan per Rule 909.j.(6). for this Pit. (Alternative Sampling Program must be attached.)
 - Other
- Venting or Flaring (Rule 903)
 - Repair Well
- E&P Waste Mangement
 - Beneficial Reuse of E&P Waste

Request that an existing produced water sample from the same formation be used per Rule 909.j.(6) to meet the requirements of Rule 909.j.(1)-(5) for this Well.

Pit ID _____ Pit Name _____

(No Sample Provided)

Subsequent well operations with heavy equipment (Rule 312)

(No Well Provided)

COMMENTS:

The current Earthen Berm Secondary Containment at the DCU 02 is insufficient in size for EPA SPCC regulations, 40 CFR 112.9. The scope of the project will be to upgrade the current Earthen Berm with a Steel Lined Secondary Containment, following ECOM Rule 603.o. The DCU 02 pre-dates equipment setback rules which came into effect in 1986. The current footprint for the Earthen Berm is larger than the needed footprint for the new Steel Lined Containment. The current Secondary Containment outer footprint is 52' x 39' and the updated Secondary Containment outer footprint will be 35' x 35'. QB Energy will hire a third-party company to temporarily remove the existing 400 bbl tank from within the containment, remove the earthen berm containment, properly level, and compact the containment area, build a new steel lined containment, place a new tank pad, reset the tank to the original place within the secondary containment and reconnect the dump line. Mike Leonard, with ECOM, encouraged QB Energy to document the current location boundaries and equipment configuration, see attachment. Specifically, this project is a "replacement in kind" and the location footprint and the equipment configuration has not changed

GAS CAPTURE

VENTING AND FLARING:

Operation type: _____ Operational phase requiring venting/flaring: _____

Reason for venting/flaring: _____

Describe Other reason for venting/flaring:

Describe why venting or flaring is necessary. If reporting per Rule 903.b.(2), 903.c.(3).C, or 903.d.(2), include the explanation, rationale, and cause of the event:

Describe how the operation will protect and minimize adverse impacts to public health, safety, welfare, the environment, and wildlife resources. If reporting per Rule 903.d.(2), include BMPs used to minimize venting on the BMP Tab:

Total volume of gas vented or flared: _____ mcf estimated measured

Total duration of emission event: _____ hours consecutive cumulative

Submit a single representative gas analysis via Form 43 to create a Sample Site Facility ID# for this Location. Reference the Form 43 document number on the Related Forms tab.

Sample Site Facility ID#: _____

GAS CAPTURE PLAN

Describe the plan to connect to a gathering line or beneficially use the gas; include anticipated timeline:

A Gas Capture Plan that meets the requirements of Rule 903.e is attached.

H2S REPORTING

Intentional release of H2S gas due to Upset Condition or malfunction.

Intent to temporarily abandon well with potential H2S concentration >100 ppm.

Data Fields in this section are intended to document Sample and Location Data associated with the collection of a Gas Sample that is submitted for Laboratory Analysis.

Gas Analysis Report must be attached.

H2S Concentration: _____ in ppm (parts per million)

Date of Measurement or Sample Collection _____

Description of Sample Point:

Absolute Open Flow Potential _____ in CFPD (cubic feet per day)

Description of Release Potential and Duration (If flow is not open to the atmosphere, identify the duration in which the container or pipeline would likely be opened for servicing operations.):

Distance to nearest occupied residence, school, church, park, school bus stop, place of business, or other areas where the public could reasonably be expected to frequent: _____

Distance to nearest Federal, State, County, or municipal road or highway owned and principally maintained for public use: _____

COMMENTS:

OIL & GAS LOCATION UPDATES

OGDP ID _____ OGDP Name _____

SITE EQUIPMENT LIST UPDATES

Indicate the number and type of major equipment components planned for use on this Oil and Gas Location:

Wells _____	Oil Tanks _____	Condensate Tanks _____	Water Tanks _____	Buried Produced Water Vaults _____
Drilling Pits _____	Production Pits _____	Special Purpose Pits _____	Multi-Well Pits _____	Modular Large Volume Tank _____
Pump Jacks _____	Separators _____	Injection Pumps _____	Heater-Treaters _____	Gas Compressors _____
Gas or Diesel Motors _____	Electric Motors _____	Electric Generators _____	Fuel Tanks _____	LACT Unit _____
Dehydrator Units _____	Vapor Recovery Unit _____	VOC Combustor _____	Flare _____	Enclosed Combustion Devices _____
Meter/Sales Building _____	Pigging Station _____	Vapor Recovery Towers _____		

OTHER PERMANENT EQUIPMENT UPDATES

OTHER TEMPORARY EQUIPMENT UPDATES

CULTURAL AND SAFETY SETBACK UPDATES

OTHER LOCATION CHANGES AND UPDATES

Provide a description of other changes or updates to technical information for this Location:

POTENTIAL OGDP UPDATES

PROPOSED CHANGES TO AN APPROVED OGDP

This Sundry Form 4 is being submitted pursuant to Rule 301.c to propose changes to an approved Oil and Gas Development Plan.

Check all boxes that pertain to the type(s) of changes being proposed for this OGDP:

- | | |
|--|--|
| <input type="checkbox"/> Add Oil and Gas Location(s) | <input type="checkbox"/> Add Drilling and Spacing Unit(s) |
| <input type="checkbox"/> Amend Oil and Gas Location(s) | <input type="checkbox"/> Amend Drilling and Spacing Unit(s) |
| <input type="checkbox"/> Remove Oil and Gas Location(s) | <input type="checkbox"/> Remove Drilling and Spacing Unit(s) |
| <input type="checkbox"/> Oil and Gas Location attachment or plan updates | <input type="checkbox"/> Amend the lands subject to the OGDP |
| <input type="checkbox"/> Other | |

Provide a detailed description of the changes being proposed for this OGDP. Attach supporting documentation such as maps if necessary.

Best Management Practices

No BMP/COA Type

Description

<u>No BMP/COA Type</u>	<u>Description</u>

Operator Comments:

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: _____ Print Name: Waylon Bennett
Title: Field Regulatory Email: wbennett@qb-energy.com Date: 9/30/2024

Based on the information provided herein, this Sundry Notice (Form 4) complies with ECMC Rules and applicable orders and is hereby approved.

ECMC Approved: Rothey, Julie Date: 10/8/2024

CONDITIONS OF APPROVAL, IF ANY LIST

<u>COA Type</u>	<u>Description</u>
	Comply with Rule 912 for any historical impacts that are discovered.
	Submit an Initial Form 27 Site Investigation and Remediation Workplan to assess the surface and subsurface of the earthen secondary containment area for potential impacts. Collect discrete samples to verify compliance with Table 915-1, comparing to both the Residential and Protection of Groundwater Soil Screening Level concentrations.
	Due to proximity to surface water, Operator will review the stormwater program and implement stormwater BMPs and erosion control measures as needed to prevent fine-grained sediment and impacted stormwater runoff from entering surface water.
3 COAs	

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
		Stamp Upon Approval

Total: 0 comment(s)

ATTACHMENT LIST

<u>Att Doc Num</u>	<u>Name</u>
403938717	SUNDRY NOTICE APPROVED-WASTE_PLAN
403938736	AERIAL PHOTOGRAPH
403949242	FORM 4 SUBMITTED

Total Attach: 3 Files