

**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:

01/18/2025

Submitted Date:

01/18/2025

Document Number:

708905506

FIELD INSPECTION FORMLoc ID 334841 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:

23 Number of Comments

3 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
211467	WELL	SI	02/01/2023	GW	045-07227	DUNN 9-3	SI
274726	WELL	PR	12/01/2019	GW	045-13385	DUNN 4-13C (C9E)	PR
274729	WELL	SI	11/01/2022	GW	045-13383	DUNN 9-4(C9E)	SI

General Comment:**CECMC Inspection Report Summary**

On 01/18/2025 at approximately 12:40 hours, I, Compliance Specialist, Wayne Smelser

Conducted an on-site inspection at QB Energy DUNN 9-4 (C9E) Pad.

Location # 334841 in Garfield County Colorado.

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

While there, I observed normal production operations.

Operator submitted FORM 42 MIRU & FORM 42 Start of Plugging Operations with a move in/start date of 01/18/2025, however workover rig was not on location at time of inspection.

During this inspection the following compliance issues were observed:

1. Equipment - Hole in separator/wildlife hazard with a CA date of 01/25/2025
2. Tanks & Berms - Holes in secondary containment liner with a CA date of 02/07/2025
3. Inspected Facilities - Failure to comply with CECMC rules with a CA date of 01/20/2025

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	L	Date:	

Overall Good: ☐

Signs/Marker:			
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	WELLHEAD		
Comment:	Signs at separators		
Corrective Action:		Date:	
Type	TANK LABELS/PLACARDS		
Comment:			
Corrective Action:		Date:	
Type	OTHER		
Comment:	Sign at intersection of Jenkins Cutoff Road & start of lease road		
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:				
<input type="checkbox"/>	Multiple Spills and Releases?			

Fencing/:			
Type	WELLHEAD		
Comment:	Hog panels around DUNN 9-4 wellhead		
Corrective Action:		Date:	

Equipment:			corrective date
Type: Other	# 1		
Comment:	Hole in separator/wildlife hazard/available for entry by wildlife		

Corrective Action:	Comply with CECMC wildlife rules		Date:	01/25/2025
Type: Bird Protectors	# 2			
Comment:				
Corrective Action:			Date:	
Type: Vertical Heated Separator	# 2			
Comment:				
Corrective Action:			Date:	
Type: Horizontal Heated Separator	# 1			
Comment:				
Corrective Action:			Date:	
Type: Gas Meter Run	# 3			
Comment:				
Corrective Action:			Date:	
Type: Gas Meter Run	# 1			
Comment:	Summit Midstream			
Corrective Action:			Date:	
Type: Bradenhead	# 3			
Comment:	Pressure transducers located on bradenheads, bradenhead valves are accessible.			
Corrective Action:			Date:	
Type: Plunger Lift	# 1			
Comment:	DUNN 4-13C well on plunger lift Remaining 2 wells not on plunger lift			
Corrective Action:			Date:	

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
METHANOL	1	<50 BBLS	STEEL AST		,
Comment:					
Corrective Action:					Date:

Paint

Condition	Adequate
Other (Content)	
Other (Capacity)	500 gal
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	500 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:	Multiple 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: 02/07/2025

Venting:

Yes/No	NO	
Comment:		
Corrective Action:		Date:

Flaring:

Type	
Comment:	
Corrective Action:	Date:

Inspected FacilitiesFacility ID: 211467 Type: WELL API Number: 045-07227 Status: SI Insp. Status: SI**Idle Well**Purpose: ☒ Shut In ☐ Temporarily Abandoned Reminder: _____Comment: Shut InOUT OF SERVICE DESIGNATION - FORM 6A document # 403150040

Corrective Action: _____ Date: _____

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

Facility ID: 274726 Type: WELL API Number: 045-13385 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: 274729 Type: WELL API Number: 045-13383 Status: SI Insp. Status: SI**Producing Well**Comment: Producing, well not on plunger lift

Corrective Action: _____ Date: _____

Cement**Cement Contractor**

Contractor Name: _____ Contractor Phone: _____

Surface Casing

Cement Volume (sx): _____ Circulate to Surface: _____

Cement Fall Back: _____ Top Job, 1" Volume: _____

Intermediate Casing

Cement Volume (sxs): _____ Good Return During Job: _____

Production Casing

Cement Volume (sx): _____ Good Return During Job: _____

Plugging Operations

Depth Plugs(feet range): _____ Cement Volume (sx): _____

Good Return During Job: _____ Cement Type: _____

Comment: Please refer to FORM 42 document #'s 404059002 & 404059014Workover rig was not on location on date specified by operator in documents referenced above/not in compliance with CECMC rulesCorrective Action: Comply with CECMC rules Date: 01/20/2025

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						Light compaction in some areas
Gravel						Sparse to none in areas
Berms						
		Compaction				Light compaction in sections
		Gravel				Sparse to none in sections
		Ditches				
		Culverts				

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 & Inspected Facilities for corrective actions.	smelserw	01/18/2025

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

Document Num	Description	URL
404062554	INSPECTION SUBMITTED	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6881418
708905507	Inspection 708905506 Stormwater photo log	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6881416
708905508	Inspection 708905506 photo log	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6881417