

**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:

708905509

FIELD INSPECTION FORMLoc ID 334945 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:

21 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
273948	WELL	PR	02/22/2005	GW	045-10304	DUNN 4-15B (K4E)	PR
273950	WELL	PR	10/01/2020	GW	045-10305	DUNN 4-12A (K4E)	PR

General Comment:**CECMC Inspection Report Summary**

On 01/18/2025 at approximately 11:06 hours, I, Compliance Specialist, Wayne Smelser

Conducted a follow up inspection at QB Energy DUNN 4-15B (K4E) Pad.

Location # 334945 in Garfield County Colorado.

Please refer to inspection 707800715 conducted on 02/13/2024, previous corrective action has not been completed.

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

While there, I observed normal production operations.

During this inspection the following compliance issues were observed:

1. Equipment - Flowline heating insulation damaged/wildlife hazard with a CA date of 01/25/2025
2. Tanks & Berms - Possible tank integrity issue/tank appears to lack integrity with a CA date of 02/17/2025
3. Tanks & Berms - Hole in secondary tank containment with a CA date of 03/27/2024

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.

Dual Lease - Shared facilities with the DUNN 4-11 location # 311585

Location**Lease Road:**

Type	Access		
comment:			
Corrective Action	L	Date:	

Overall Good: ☐**Signs/Marker:**

Type	OTHER		
Comment:	Sign at intersection of Jenkins Cutoff Road & start of lease road		
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:	Signs at separators		
Corrective Action:		Date:	
Type	BATTERY		
Comment:			
Corrective Action:		Date:	
Type	TANK LABELS/PLACARDS		
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:	

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?**Fencing/:**

Type	WELLHEAD		
Comment:	Cattle panels		
Corrective Action:		Date:	

Equipment:

Type: Gas Meter Run	# 3		corrective date
Comment:			

Corrective Action:		Date:	
Type: Bird Protectors	# 2		
Comment:			
Corrective Action:		Date:	
Type: Horizontal Heated Separator	# 1		
Comment:			
Corrective Action:		Date:	
Type: Gas Meter Run	# 1		
Comment:	Summit Midstream		
Corrective Action:		Date:	
Type: Bradenhead	# 2		
Comment:	Pressure transducers located on bradenheads, bradenhead valves are accessible.		
Corrective Action:		Date:	
Type: Vertical Heated Separator	# 2		
Comment:			
Corrective Action:		Date:	
Type: Plunger Lift	# 2		
Comment:	All wells on plunger lift		
Corrective Action:		Date:	
Type: Other	# 1		
Comment:	Flowline heating insulation damaged/wildlife hazard/available for entry by wildlife		
Corrective Action:	Comply with CECMC wildlife rules	Date:	01/25/2025

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
CONDENSATE	1	500 BBLS	HEATED STEEL AST		,
Comment:	Tanks appears to be patched with duct tape/possible tank integrity issue/tank appears to lack integrity				
Corrective Action:	Comply with CECMC rules for in-service tanks				Date: 02/17/2025

Paint

Condition	Adequate
Other (Content)	
Other (Capacity)	
Other (Type)	

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Metal	Inadequate	Walls Insufficient		Inadequate	
Comment:	Hole in secondary tank containment				
Corrective Action:	Install or maintain liner material to ensure spill or released materials will be maintained with containment structure			Date: 03/27/2024	
Contents	#	Capacity	Type	Tank ID	SE GPS

METHANOL	1	1000 GAL	STEEL AST			
Comment:						
Corrective Action:					Date:	
<u>Paint</u>						
Condition	Adequate					
Other (Content)						
Other (Capacity)						
Other (Type)						
<u>Berms</u>						
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance		
Metal						
Comment:		Centralized containment				
Corrective Action:					Date:	
<u>Venting:</u>						
Yes/No	NO					
Comment:						
Corrective Action:					Date:	
<u>Flaring:</u>						
Type						
Comment:						
Corrective Action:					Date:	

Inspected Facilities				
Facility ID: 273948	Type: WELL	API Number: 045-10304	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: 273950	Type: WELL	API Number: 045-10305	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
		Culverts				
Gravel						Sparse to none in areas
Berms						
		Compaction				Light compaction in some sections
Compaction						Light compaction in some areas
		Ditches				
		Gravel				Sparse to none in some sections

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 for corrective actions	smelserw	01/18/2025
Dual Lease - Shared facilities with the DUNN 4-11 location # 311585		

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

Document Num	Description	URL
404062556	INSPECTION SUBMITTED	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6881467
708905510	Inspection 708905509 Stormwater photo log	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6881465
708905511	Inspection 708905509 photo log	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6881466