

**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:

02/19/2025

Submitted Date:

02/21/2025

Document Number:

713400731**FIELD INSPECTION FORM**Loc ID 334064 Inspector Name: Popejoy, Dusty 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:

25 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 |
|-----------------|-------|--------------------------------|---------|
| Kellerby, Shaun | | shaun.kellerby@state.co.us | |
| ENERGY, QB | | ecmc.inspections@qb-energy.com | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|------------------|-------------|
| 277267 | WELL | PR | 11/01/2024 | GW | 045-10650 | KNOX 11-4 (OD11) | PR |
| 281947 | WELL | SI | 11/01/2021 | GW | 045-11591 | KNOX 11-5 (OD11) | PA |
| 281948 | WELL | PR | 04/01/2023 | GW | 045-11592 | KNOX 10-8 (OD11) | PR |
| 283876 | WELL | PR | 04/01/2023 | GW | 045-12017 | KNOX 10-1 (OD11) | PR |

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

On 2/19/2025 at approximately 11:15 hours, Compliance Inspector Dusty Popejoy conducted a follow up inspection/audit at QB ENERGY KNOX-68S96W/11NWNW (OD11 Pad) at Location ID #334064 in Garfield County, Colorado.

Please refer to inspection/audit 713400574 conducted on 12/30/2024, previous corrective action has not been completed. CA date remains the same.

This location is within or in close proximity to, a CPW Density/High Priority Habitat, Black Bear, NSO Habitat, or Wildlife Management area.

During the inspection/audit, the following compliance issues were observed:

1. Stormwater - Lack of stabilization/compaction on location/insufficient tracking BMP's/Tracking onto lease road with a CA of 01/16/2025
2. Housekeeping - Open holes with no wildlife egress/wildlife hazard with a CA date of 02/28/2025
3. Equipment - PRV vent line & rupture disc vent line does not comply with CECMC pressure safety device rules with a CA date of 02/28/2025
4. Tanks and Berms - Holes in secondary containment liner/liner needs maintenance with a CA date of 03/13/2025

A follow-up on this site inspection/audit will be conducted to ensure the compliance issues have been corrected to comply with CECMC rules.

Location**Lease Road:**

| | | | |
|-------------------|--------|-------|--|
| Type | Access | | |
| comment: | Access | | |
| Corrective Action | L | Date: | |

Overall Good: ☐**Signs/Marker:**

| | | | |
|--------------------|--|-------|--|
| Type | OTHER | | |
| Comment: | Sign at entrance to location | | |
| Corrective Action: | | Date: | |
| Type | BATTERY | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | WELLHEAD | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | OTHER | | |
| Comment: | Separator units include attached storage tanks. The sight glass on the side of the unit indicates that the storage tank contains an unknown fluid. No form of labeling or markers is present to identify a potential hazard or the contents of the storage tank. | | |
| Corrective Action: | | Date: | |

Emergency Contact Number:

| | | | |
|--------------------|------------------|-------|--|
| Comment: | 970-285-2615/911 | | |
| Corrective Action: | | Date: | |

Good Housekeeping:

| | | | |
|--------------------|---|-------|------------|
| Type | OTHER | | |
| Comment: | Open holes with no wildlife egress/wildlife hazard, refer to photos | | |
| Corrective Action: | Comply with CECMC wildlife rules | Date: | 02/28/2025 |
| Type | DEBRIS | | |
| Comment: | Debris, refer to photos | | |
| Corrective Action: | | Date: | |

Overall Good: ☐**Spills:**

| | | | | |
|------|------|--------|--|--|
| Type | Area | Volume | | |
|------|------|--------|--|--|

In Containment: No

Comment: ☐ Multiple Spills and Releases?

| | | | |
|--------------------|----------------------------------|-------|--|
| Fencing/: | | | |
| Type | SEPARATOR | | |
| Comment: | Livestock panels | | |
| Corrective Action: | | Date: | |
| Type | WELLHEAD | | |
| Comment: | Livestock panels | | |
| Corrective Action: | | Date: | |

| | | | |
|-----------------------------------|---|-------|----------------------------|
| Equipment: | | | corrective date |
| Type: Bird Protectors | # 4 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Horizontal Heated Separator | # 6 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Gas Meter Run | # 5 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Plunger Lift | # 3 | | |
| Comment: | All wells on plunger lift | | |
| Corrective Action: | | Date: | |
| Type: Other | # 2 | | |
| Comment: | PRV vent line & rupture disc vent line does not comply with CECMC pressure safety device rules, refer to photos | | |
| Corrective Action: | Comply with CECMC pressure safety device rules | Date: | 02/28/2025 |
| Type: Bradenhead | # 3 | | |
| Comment: | All Bradenhead valves are accessible with telemetry for monitoring | | |
| Corrective Action: | | Date: | |
| Type: Gas Meter Run | # 1 | | |
| Comment: | Summit midstream | | |
| Corrective Action: | | Date: | |

Tanks and Berms:

| | | | | | | |
|--------------------|---|----------|-----------|---------|--------|-------|
| Contents | # | Capacity | Type | Tank ID | SE GPS | |
| METHANOL | 1 | OTHER | STEEL AST | | , | |
| Comment: | | | | | | |
| Corrective Action: | | | | | | Date: |

Paint

| | | |
|------------------|----------|--|
| Condition | Adequate | |
| Other (Content) | | |
| Other (Capacity) | 24 bbls | |
| 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: Holes in secondary containment liner/liner needs maintenance, refer to photos | | | | | | |
| 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: | 03/13/2025 | |
| Venting: | | | | | | |
| Yes/No | NO | | | | | |
| Comment: | | | | | | |
| Corrective Action: | | | | | | Date: |
| Flaring: | | | | | | |
| Type | | | | | | |
| Comment: | | | | | | |
| Corrective Action: | | | | | | Date: |

| Inspected Facilities | | | | | | | | | |
|--|---|-------|--|-------------|-----------|---------|----|---------------|----|
| Facility ID: | 277267 | Type: | WELL | API Number: | 045-10650 | 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: | 281947 | Type: | WELL | API Number: | 045-11591 | Status: | SI | Insp. Status: | PA |
| Idle Well | | | | | | | | | |
| Purpose: | <input type="checkbox"/> Shut In | | <input type="checkbox"/> Temporarily Abandoned | | Reminder: | | | | |
| Comment: | P&A well, refer to document number 404024491 last produced December 2024 | | | | | | | | |
| Corrective Action: | | | | | | Date: | | | |
| The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12 | | | | | | | | | |
| Facility ID: | 281948 | Type: | WELL | API Number: | 045-11592 | 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: | 283876 | Type: | WELL | API Number: | 045-12017 | 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 |
|------------------|-----------------|-------------------------|-----------------------|------------------|--------------------------|----------------------------------|
| Berms | | | | | | |
| Compaction | Fail | | | | | Lack of stabilization/compaction |
| | | Ditches | | | | |
| | | Culverts | | | | |
| | | Compaction | | | | Lack of stabilization/compaction |
| Ditches | | | | | | |
| | | | | Vehicle Tracking | | Tracking onto lease road |

Comment: 1. Lack of stabilization/compaction on location and lease road/insufficient tracking BMP's
2. Vehicle tracking onto lease road/Insufficient tracking BMP's

Corrective Action: **Comply with CECMC Storm water rules**

Date: 01/16/2025

Pits: ☒ NO SURFACE INDICATION OF PIT

ECMC Comments

| Comment | User | Date |
|---|----------|------------|
| Please refer to Stormwater, Housekeeping, Equipment and Tanks and Berms for corrective actions. | popejoyd | 02/21/2025 |

Attached Documents

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

| Document Num | Description | URL |
|--------------|-------------------------|---|
| 713400732 | Inspection-Audit Photos | https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6930194 |