

**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:

02/25/2025

Submitted Date:

02/28/2025

Document Number:

708905857**FIELD INSPECTION FORM**Loc ID 334858 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:**

25 Number of Comments

1 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 |
|-------------|------|--------|-------------|------------|-----------|--------------------|-------------|
| 211514      | WELL | SI     | 09/01/2024  | GW         | 045-07274 | KRK 7-15 (07E)     | SI          |
| 260074      | WELL | PR     | 02/01/2008  | GW         | 045-07820 | PITMAN 18-2A (07E) | PR          |
| 260075      | WELL | PR     | 02/16/2006  | GW         | 045-07821 | PITMAN 18-1A (07E) | PR          |

**General Comment:**

CECMC Inspection/Audit Report Summary

On 02/25/2025 at approximately 11:14 hours, I, Compliance Specialist, Wayne Smelser

Conducted a follow up inspection/audit at QB Energy KRK 7-15 (07E)

Location # 334858 in Garfield County Colorado.

Please refer to inspection 708905702 conducted on 02/05/2025, previous corrective action has been completed.

Location is within High Priority/Density/Black Bear Habitat areas.

While there, I observed normal production operations.

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

1. Signs/Marker - Tank battery lacks required signage with a CA date of 03/30/2025

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.

Multi Lease pad - Shared facilities with KRK 7-11A location # 334894 & KRK 7-10A location # 333170

**Location****Lease Road:**

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

Overall Good: ☐**Signs/Marker:**

|                    |   |       |            |
|--------------------|---|-------|------------|
| Type               | TANK LABELS/PLACARDS  |       |            |
| Comment:           |   |       |            |
| Corrective Action: |   | Date: |            |
| Type               | OTHER   |       |            |
| Comment:           | Sign near entrance to location  |       |            |
| Corrective Action: |   | Date: |            |
| Type               | BATTERY   |       |            |
| Comment:           | 1 tank battery lacks required signage<br>1 well is missing on tank battery that does have signage   |       |            |
| Corrective Action: | Comply with CECMC signage rules   | Date: | 03/30/2025 |
| 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 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: |            |

**Emergency Contact Number:**

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

Overall Good: ☐**Spills:**

|  |      |        |  |  |
|--|------|--------|--|--|
| Type   | Area | Volume |  |  |
| In Containment: No                                     |      |        |  |  |
| Comment: <input type="text"/>                          |      |        |  |  |
| <input type="checkbox"/> Multiple Spills and Releases? |      |        |  |  |

**Fencing/:**

|                    |               |       |  |
|--------------------|---------------|-------|--|
| Type               | WELLHEAD      |       |  |
| Comment:           | Cattle panels |       |  |
| Corrective Action: |               | Date: |  |

**Equipment:**

|                    |     |  |                 |
|--------------------|-----|--|-----------------|
| Type: Plunger Lift | # 2 |  | corrective date |
|--------------------|-----|--|-----------------|

|   |     |       |  |
|---|-----|-------|--|
| Comment: <a href="#">PITMAN 18-1A not on plunger lift</a>   |     |       |  |
| Remaining 2 wells on plunger lift   |     |       |  |
| Corrective Action:  |     | Date: |  |
| Type: Gas Meter Run   | # 1 |       |  |
| Comment: <a href="#">Summit Midstream</a>   |     |       |  |
| Corrective Action:  |     | Date: |  |
| Type: Pig Station   | # 1 |       |  |
| Comment:  |     |       |  |
| Corrective Action:  |     | Date: |  |
| Type: Horizontal Heated Separator   | # 2 |       |  |
| Comment:  |     |       |  |
| Corrective Action:  |     | Date: |  |
| Type: Bradenhead  | # 3 |       |  |
| Comment: <a href="#">Pressure transducers located on bradenheads, bradenhead valves are accessible.</a> |     |       |  |
| Corrective Action:  |     | Date: |  |
| Type: Vertical Heated Separator   | # 5 |       |  |
| Comment:  |     |       |  |
| Corrective Action:  |     | Date: |  |
| Type: Gas Meter Run   | # 7 |       |  |
| Comment:  |     |       |  |
| Corrective Action:  |     | Date: |  |
| Type: Bird Protectors   | # 3 |       |  |
| Comment:  |     |       |  |
| Corrective Action:  |     | Date: |  |
| Type: Deadman # & Marked  | # 7 |       |  |
| Comment: <a href="#">Marked</a>   |     |       |  |
| Corrective Action:  |     | Date: |  |

**Tanks and Berms:**

| Contents           | # | Capacity | Type      | Tank ID | SE GPS |
|--------------------|---|----------|-----------|---------|--------|
| METHANOL           | 1 | 1000 GAL | STEEL AST |         | ,      |
| Comment:           |   |          |           |         |        |
| 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                             |                     |             |        |       |       |  |
|                    |          | Unlined containment                                 |                     |             |        |       |       |  |
| Corrective Action: |          |   |                     |             |        |       | Date: |  |
| Contents           | #        | Capacity  | Type                | Tank ID     | SE GPS |       |       |  |
| CONDENSATE         | 2        | 300 BBLs  | STEEL AST           |             | ,      |       |       |  |
| Comment:           |          | Tanks equipped with telemetry                       |                     |             |        |       |       |  |
| 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              | Adequate |   |                     |             |        |       |       |  |
| Comment:           |          | Separate centralized containment                    |                     |             |        |       |       |  |
|                    |          | Unlined containment                                 |                     |             |        |       |       |  |
| Corrective Action: |          |   |                     |             |        |       | Date: |  |
| Contents           | #        | Capacity  | Type                | Tank ID     | SE GPS |       |       |  |
| CONDENSATE         | 2        | 300 BBLs  | STEEL AST           |             | ,      |       |       |  |
| Comment:           |          | Tanks equipped with telemetry                       |                     |             |        |       |       |  |
| 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              | Adequate |   |                     |             |        |       |       |  |
| Comment:           |          | Centralized containment with 1000 gal methanol tank |                     |             |        |       |       |  |
|                    |          | Unlined 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:   | 211514 | Type: | WELL | API Number: | 045-07274 | Status: | SI | Insp. Status: | SI |
| Idle Well  |        |       |      |             |           |         |    |               |    |
| Purpose: <input checked="" type="checkbox"/> Shut In <input type="checkbox"/> Temporarily Abandoned      Reminder: _____ |        |       |      |             |           |         |    |               |    |
| Comment: Shut In<br>Last produced August 2024  |        |       |      |             |           |         |    |               |    |
| Corrective Action: _____ Date: _____   |        |       |      |             |           |         |    |               |    |
| The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12                                 |        |       |      |             |           |         |    |               |    |
| Facility ID:   | 260074 | Type: | WELL | API Number: | 045-07820 | 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:   | 260075 | Type: | WELL | API Number: | 045-07821 | Status: | PR | Insp. Status: | PR |
| Producing Well   |        |       |      |             |           |         |    |               |    |
| Comment: Producing, well not 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            |                 |                         |                       |               |                          |                                |
|                  |                 | Gravel                  |                       |               |                          | Sparse to none                 |
|                  |                 | Ditches                 |                       |               |                          |                                |
|                  |                 | Compaction              |                       |               |                          | Light compaction               |
| Compaction       |                 |                         |                       |               |                          | Light compaction in some areas |

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

| Comment  | User     | Date       |
|--|----------|------------|
| Please refer to Signs/Marker for corrective action   | smelserw | 02/28/2025 |
| Multi Lease pad - Shared facilities with KRK 7-11A location # 334894 & KRK 7-10A location # 333170 |          |            |

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

| Document Num | Description                                     | URL   |
|--------------|---|---|
| 708905858    | Inspection/Audit 708905857 Stormwater photo log | <a href="https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6939994">https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6939994</a> |
| 708905859    | Inspection/Audit 708905857 photo log            | <a href="https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6939995">https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6939995</a> |