

**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:

03/04/2025

Submitted Date:

03/04/2025

Document Number:

708905887

FIELD INSPECTION FORMLoc ID 334799 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

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
211580	WELL	PR	06/01/2021	GW	045-07341	COUEY 8-3 (C8E)	PR
258069	WELL	PR	06/01/2021	GW	045-07618	COUEY 8-3A (C8E)	PR

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

On 03/04/2025 at approximately 12:26 hours, I, Compliance Specialist, Wayne Smelser

Conducted an on-site inspection/audit at QB Energy COUEY 8-3 (C8E) pad.

Location # 334799 in Garfield County Colorado.

Location is within High Priority/Density/Black Bear Habitat areas & in close proximity to NSO Habitat area.

Location is approximately 207 yards from West Mamm Creek & 312 yards from Middle Mamm Creek.

While there, I observed normal production operations.

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

1. Stormwater - Erosion & transport of sediment off location/insufficient BMP's with a CA date of 03/19/2025

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.

Location**Lease Road:**

Type	Access		
comment:			
Corrective Action	L	Date:	

Overall Good: ☐**Signs/Marker:**

Type	WELLHEAD		
Comment:	Signs at separators		
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:	
Type	BATTERY		
Comment:			
Corrective Action:		Date:	
Type	OTHER		
Comment:	Sign near entrance to location		
Corrective Action:		Date:	
Type	TANK LABELS/PLACARDS		
Comment:			
Corrective Action:		Date:	

Emergency Contact Number:

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

Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

Comment: ☐ Multiple Spills and Releases?**Fencing/:**

Type	WELLHEAD		
Comment:	Cattle panels		
Corrective Action:		Date:	
Type	SEPARATOR		
Comment:	Cattle panels		
Corrective Action:		Date:	

Equipment:			corrective date
Type: Bird Protectors	# 2		
Comment:			
Corrective Action:			Date:
Type: Deadman # & Marked	# 2		
Comment:	Marked		
Corrective Action:			Date:
Type: Horizontal Heated Separator	# 2		
Comment:			
Corrective Action:			Date:
Type: Plunger Lift	# 2		
Comment:	All wells on plunger lift		
Corrective Action:			Date:
Type: Gas Meter Run	# 2		
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:

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS	
CONDENSATE	1	300 BBLs	STEEL AST		,	
Comment:	Tank equipped with telemetry					
Corrective Action:						Date:

Paint

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

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal	Adequate			
Comment:	Unlined containment			
Corrective Action:				
	Date:			

Venting:

Yes/No	NO	
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Comment:			
Corrective Action:		Date:	
Flaring:			
Type			
Comment:			
Corrective Action:		Date:	

Inspected Facilities									
Facility ID:	211580	Type:	WELL	API Number:	045-07341	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:		Producing, well on plunger lift							
Corrective Action:								Date:	
BradenHead									
Date of Last Brhd Test:		06/03/2024		Annual Brhd Completed?					
Last Brhd Test Results		Initial Surf Csg Pressure:		122		Fluid Type:		WATER H20	
		End Surf Csg Pressure:		34					
Comment:		BH line tied into flowline - FORM 4 SUNDRY document #'s 403606715, 403655085 & 404003373							
Corrective Action:								Date:	
The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12									
Facility ID:	258069	Type:	WELL	API Number:	045-07618	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
Gravel						Sparse to none in areas
		Compaction				
		Ditches				
		Gravel				
		Culverts				
Other	Fail					Erosion & transport of sediment off location
Compaction						Light compaction in some areas

Comment: 1. Erosion & transport of sediment off location/insufficient BMP's

Corrective Action: Comply with CECMC Stormwater rules

Date: 03/19/2025

Pits: ☒ NO SURFACE INDICATION OF PIT**ECMC Comments**

Comment	User	Date
Please refer to Stormwater for corrective action	smelserw	03/04/2025

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

Document Num	Description	URL
708905888	Inspection/Audit 708905887 Stormwater photo log	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6944918
708905889	Inspection/Audit 708905887 photo log	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6944919