

**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:

708905890

FIELD INSPECTION FORMLoc ID 334801 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 |
|-------------|------|--------|-------------|------------|-----------|-----------------|-------------|
| 199993 | WELL | PR | 05/08/2000 | GW | 045-07408 | BENZEL 1-9 | PR |
| 256350 | WELL | PR | 11/10/1999 | GW | 045-07445 | BJM 6-11 (I 1) | PR |
| 256351 | WELL | PR | 09/14/2000 | GW | 045-07446 | BENZEL 1-16(I1) | PR |

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

On 03/04/2025 at approximately 11:46 hours, I, Compliance Specialist, Wayne Smelser

Conducted an on-site inspection/audit at QB Energy BENZEL 1-9 (I1) Pad.

Location # 334801 in Garfield County Colorado.

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. Stormwater - Failure to maintain chemical BMP with a CA date of 03/07/2025

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.

Shared facilities with KRK 6-12D (I1W) location # 334946

| Location | | | | |
|--|--|--------|-------|-----------------|
| Lease Road: | | | | |
| Type | Access | | | |
| comment: | | | | |
| Corrective Action | L | | Date: | |
| Overall Good: <input type="checkbox"/> | | | | |
| Signs/Marker: | | | | |
| 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: | |
| Type | WELLHEAD | | | |
| Comment: | Signs at separators | | | |
| Corrective Action: | | | Date: | |
| Type | BATTERY | | | |
| Comment: | | | | |
| Corrective Action: | | | Date: | |
| Type | CONTAINERS | | | |
| Comment: | Chemical tank | | | |
| Corrective Action: | | | Date: | |
| Emergency Contact Number: | | | | |
| Comment: | 911/970-285-2615 | | | |
| Corrective Action: | | | | Date: _____ |
| Overall Good: <input type="checkbox"/> | | | | |
| Spills: | | | | |
| Type | Area | Volume | | |
| In Containment: No _____ | | | | |
| Comment: | | | | |
| <input type="checkbox"/> Multiple Spills and Releases? | | | | |
| Fencing/: | | | | |
| Type | WELLHEAD | | | |
| Comment: | Cattle panels | | | |
| Corrective Action: | | | Date: | |
| Equipment: | | | | |
| | | | | corrective date |
| Type: Vertical Heated Separator | # 8 | | | |
| Comment: | | | | |

| | | | |
|-----------------------------------|--|-------|--|
| Corrective Action: | | Date: | |
| Type: Plunger Lift | # 3 | | |
| Comment: | All wells on plunger lift | | |
| Corrective Action: | | Date: | |
| Type: Bradenhead | # 3 | | |
| Comment: | Pressure transducers located on bradenheads, bradenhead valves are accessible. | | |
| Corrective Action: | | Date: | |
| Type: Horizontal Heated Separator | # 3 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Gas Meter Run | # 1 | | |
| Comment: | Summit Midstream | | |
| Corrective Action: | | Date: | |
| Type: Ancillary equipment | # 1 | | |
| Comment: | Chemical tank | | |
| Corrective Action: | | Date: | |
| Type: Ancillary equipment | # 1 | | |
| Comment: | Liquid nitrogen tank No FORM 4 SUNDRY for equipment/not in compliance with CECMC rules | | |
| Corrective Action: | | Date: | |
| Type: Gas Meter Run | # 11 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Other | # 1 | | |
| Comment: | Pneumatic control valve on summit midstream pipeline near meter house has been modified/valve no longer has the ability to close - please refer to photo log | | |
| Corrective Action: | | Date: | |
| Type: Bird Protectors | # 5 | | |
| Comment: | | | |
| 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 | Walls Sufficent | | | |
| 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 | Adequate | Walls Sufficent | | | |
| Comment: | Centralized containment | | | | |
| Corrective Action: | | | | | Date: |
| Venting: | | | | | |
| Yes/No | NO | | | | |
| Comment: | | | | | |
| Corrective Action: | | | | | Date: |
| Flaring: | | | | | |
| Type | | | | | |
| Comment: | | | | | |
| Corrective Action: | | | | | Date: |

| | | | | | | | | | |
|--|---------------------------------|-------|------|-------------|-----------|---------|----|---------------|----|
| Inspected Facilities | | | | | | | | | |
| Facility ID: | 199993 | Type: | WELL | API Number: | 045-07408 | 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: | 256350 | Type: | WELL | API Number: | 045-07445 | 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: | 256351 | Type: | WELL | API Number: | 045-07446 | 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 |
|------------------|-----------------|-------------------------|-----------------------|--|--------------------------|--|
| | | | | Material Handling And Spill Prevention | Fail | Failure to maintain chemical BMP |
| | | Culverts | | | | |
| Rip Rap | | | | | | |
| Berms | | | | | | |
| | | Gravel | | | | Sparse to none in sections |
| Gravel | | | | | | Sparse to none in areas |
| Compaction | | | | | | Lack of stabilization/compaction near tank battery |
| | | Ditches | | | | |
| | | Compaction | | | | Light compaction in some sections |

Comment: 1. Failure to maintain chemical BMP - Chemical tank containment approximately 2/3 to 3/4 full of fluid/BMP insufficient to contain possible spill

Corrective Action: Comply with CECMC Stormwater rules

Date: 03/07/2025

Pits: ☒ NO SURFACE INDICATION OF PIT

ECMC Comments

| Comment | User | Date |
|--|----------|------------|
| Please refer to Stormwater for corrective action | smelserw | 03/04/2025 |
| Shared facilities with KRK 6-12D (I1W) location # 334946 | | |

Attached Documents

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

| Document Num | Description | URL |
|--------------|---|---|
| 708905892 | Inspection/Audit 708905890 Stormwater photo log | https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6945029 |
| 708905893 | Inspection/Audit 708905890 photo log | https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6945030 |