

**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:

03/10/2025

Submitted Date:

03/11/2025

Document Number:

708905948

FIELD INSPECTION FORMLoc ID 334904 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:

28 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	
Katz, Aaron		aaron.katz@state.co.us	
Haverkamp, Curtis		curtis.haverkamp@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
260543	WELL	PR	02/01/2008	GW	045-07864	SHAEFFER 31-6 (H-36)	PR
260545	WELL	PR	08/13/2002	GW	045-07866	BJM 31-11 (H-36)	PR
262452	WELL	PR	08/01/2022	GW	045-08030	BENZEL 36-8B(H36)	PR
262453	WELL	PR	02/01/2008	GW	045-08031	BENZEL 36-1 (H36)	PR
262478	WELL	PR	07/01/2022	GW	045-08032	BENZEL 36-9B (H36)	PR
262736	WELL	PR	02/01/2008	GW	045-08051	BJM 31-3C1	PR

General Comment:

CECMC Inspection/Audit Report Summary

On 03/10/2025 at approximately 13:15 hours, I, Compliance Specialist, Wayne Smelser

Conducted a follow up inspection/audit at QB Energy SHAEFFER 31-6 (H-36) Pad.

Location # 334904 in Garfield County Colorado.

Please refer to inspection/audit 707801213 conducted on 11/12/2024, 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 04/10/2025
2. Inspected Facilities - BJM 31-3C1 well lacks wellbore diagram/not in compliance with CECMC rules with a CA date of 04/10/2025
3. Stormwater - Erosion & transport of sediment/insufficient BMP's with a CA date of 03/26/2025

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.

Dual Lease - Shared facilities with the BENZEL 36-8 (H-36) location # 334974

Location

Lease Road:			
Type	Access		
comment:			
Corrective Action	L	Date:	

Overall Good: ☐

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:	1 battery lacks required signage		
Corrective Action:	Comply with CECMC signage rules	Date:	04/10/2025

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?

Equipment:			corrective date
Type: Plunger Lift	# 6		
Comment:	All wells on plunger lift		
Corrective Action:		Date:	
Type: Bradenhead	# 6		
Comment:	Pressure transducers located on bradenheads, bradenhead valves are accessible.		
Corrective Action:		Date:	
Type: Gas Meter Run	# 1		
Comment:	Summit Midstream		
Corrective Action:		Date:	

Type: Gas Meter Run	# 8		
Comment:			
Corrective Action:			Date:
Type: Ancillary equipment	# 2		
Comment:	Liquid nitrogen tanks Unable to locate FORM 4 SUNDRY for equipment/not in compliance with CECMC rules		
Corrective Action:			Date:
Type: Bird Protectors	# 5		
Comment:			
Corrective Action:			Date:
Type: Vertical Heated Separator	# 4		
Comment:			
Corrective Action:			Date:
Type: Horizontal Heated Separator	# 4		
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				
Comment:	Seperate centralized containment with two 300 bbl condensate tanks				
Corrective Action:				Date:	
Contents	#	Capacity	Type	Tank ID	SE GPS
CONDENSATE	2	300 BBLS	STEEL AST		,
Comment:	Tanks equipped with telemetry Tank battery lacks required signage - please refer to Signs/Marker for CA				
Corrective Action:				Date:	

Paint

Condition	Adequate	
Other (Content)		
Other (Capacity)		

Other (Type)						
<u>Berms</u>						
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance		
Metal	Adequate					
Comment:	Separate centralized containment with 1000 gal methanol tank Unlined containment					
Corrective Action:					Date:	
Contents	#	Capacity	Type	Tank ID	SE GPS	
CONDENSATE	4	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	Walls Sufficent				
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:	260543	Type:	WELL	API Number:	045-07864	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:	260545	Type:	WELL	API Number:	045-07866	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:	262452	Type:	WELL	API Number:	045-08030	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:	262453	Type:	WELL	API Number:	045-08031	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:	262478	Type:	WELL	API Number:	045-08032	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:	262736	Type:	WELL	API Number:	045-08051	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift								
Corrective Action:	Well lacks wellbore diagram/not in compliance with CECMC rules								
Corrective Action:	Comply with rule 420					Date:	04/10/2025		
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 most areas
		Ditches				
		Compaction				Light compaction in some sections
Sediment Traps						Sediment trap approximately 90% full of sediment
Compaction						Light compaction in some areas
		Culverts				
Other	Fail					Erosion & transport of sediment/insufficient BMP's
		Gravel				Sparse to none in most sections
Ditches						

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

Corrective Action: Comply with CECMC Stormwater rules

Date: 03/26/2025

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

Comment	User	Date
Please refer to Signs/Marker, Inspected Facilities & Stormwater for corrective actions & also refer to Equipment for comments.	smelserw	03/10/2025
Dual Lease - Shared facilities with the BENZEL 36-8 (H-36) location # 334974		

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

Document Num	Description	URL
708905949	Inspection/Audit 708905948 Stormwater photo log	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6953895
708905950	Inspection/Audit 708905948 photo log	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6953896