

**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:

03/13/2025

Submitted Date:

03/14/2025

Document Number:

708905972

FIELD INSPECTION FORM

Loc ID: 324031 Inspector Name: Smelser, Wayne On-Site Inspection: 2A Doc Num: _____

Status Summary:

- THIS IS A FOLLOW UP INSPECTION
- FOLLOW UP INSPECTION REQUIRED
- NO FOLLOW UP INSPECTION REQUIRED

Operator Information:

ECMC Operator Number: 10456
Name of Operator: CAERUS PICEANCE LLC
Address: 1001 17TH STREET #1600
City: DENVER State: CO Zip: 80202

Findings:

- 24 Number of Comments
- 2 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
Trujillo, Aaron		aaron.trujillo@state.co.us	
QB Energy		ecmc.inspections@qb-energy.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
211536	WELL	PR	05/28/1998	GW	045-07296	KRK 7-10B (J7E)	PR

General Comment:

[CECMC Inspection/Audit Report Summary](#)
On 03/13/2025 at approximately 14:04 hours, I, Compliance Specialist, Wayne Smelser Conducted an on-site inspection/audit at QB Energy KRK 7-10B (J7E) Pad. Location # 324031 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. Interim Reclamation - Failure to minimize surface disturbance with a CA date of 03/29/2025
2. Stormwater - Erosion & transport of sediment off location with a CA date of 03/29/2025

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:			Date:
Overall Good: <input type="checkbox"/>			
Signs/Marker:			
Type	BATTERY		
Comment:			
Corrective Action:			Date:
Type	CONTAINERS		
Comment:	Chemical tank		
Corrective Action:			Date:
Type	WELLHEAD		
Comment:	Sign at separator		
Corrective Action:			Date:
Type	TANK LABELS/PLACARDS		
Comment:			
Corrective Action:			Date:
Type	OTHER		
Comment:	Upon the Director's approval of a Form 9 the Buying Operator will have 60 days to replace or update all signs at the Oil and Gas Location so that the signs comply with Rule 605.		
Corrective Action:			Date:
Type	OTHER		
Comment:	Separator unit includes attached storage tank. The sight glass located on the side of the unit indicates the storage tank is full of an unknown fluid. No form of labeling or markers are present to identify a potential hazard or the contents of the storage 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?			
Equipment:			
Type:	Plunger Lift	# 1	corrective date
Comment:	Well on plunger lift		

Corrective Action:		Date:	
Type: Bradenhead	# 1		
Comment:	Pressure transducer located on bradenhead, bradenhead valve is accessible.		
Corrective Action:		Date:	
Type: Horizontal Heated Separator	# 1		
Comment:			
Corrective Action:		Date:	
Type: Gas Meter Run	# 1		
Comment:	Summit Midstream		
Corrective Action:		Date:	
Type: Bird Protectors	# 1		
Comment:			
Corrective Action:		Date:	
Type: Ancillary equipment	# 1		
Comment:	Chemical tank		
Corrective Action:		Date:	
Type: Gas Meter Run	# 1		
Comment:			
Corrective Action:		Date:	
Type: Deadman # & Marked	# 2		
Comment:	Marked		
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:	Centralized containment Unlined containment			
Corrective Action:				Date:

Contents	#	Capacity	Type	Tank ID	SE GPS
METHANOL	2	<50 BBLS	STEEL AST		,

Comment:		
Corrective Action:		Date:

Paint

Condition	Adequate	
Other (Content)		
Other (Capacity)	500 gal	
Other (Type)		

Berms

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

Venting:

Yes/No	NO	
Comment:		
Corrective Action:		Date:

Flaring:

Type	
Comment:	
Corrective Action:	Date:

Inspected Facilities

Facility ID: 211536 Type: WELL API Number: 045-07296 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

Interim Reclamation:

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: _____

Comment: _____

1002 SITE PREPARATION AND STABILIZATION

1002a. FENCING _____

Comment _____

Corrective Action _____

Date _____

1002b. SOIL REMOVAL AND SEGREGATION _____

Comment _____

Corrective Action _____

Date _____

1002c. PROTECTION OF SOILS _____

Comment _____

Corrective Action _____

Date _____

1002E. SURFACE DISTURBANCE MINIMIZATION _____ Fail _____

Comment Vehicle tracks observed traveling off the working pad area into the interim area. Operator has failed to minimize surface disturbances and restrict vehicle traffic only to the working pad area.

Corrective Action Comply with 1002.e and restrict travel to the production areas and designated access roads. Conduct reclamation on interim areas impacted due to vehicle travel.

Date **03/29/2025**

1003a. Waste and Debris removed? _____

Comment _____

Corrective Action _____

Date _____

Unused or unneeded equipment onsite? _____

Comment _____

Corrective Action _____

Date _____

Pit, cellars, rat holes and other bores closed? _____

Comment _____

Corrective Action _____

Date _____

Guy line anchors marked? _____

Comment _____

Corrective Action _____

Date _____

1003b. Area no longer in use? _____ Production areas stabilized ? _____
 1003c. Compacted areas have been cross ripped? _____
 1003d. Drilling pit closed? _____ Subsidence over on drill pit? _____
 Cuttings management: _____
 1003e. Areas no longer needed for drilling or subsequent operations for have been re-vegetated to 80% of pre-existing? _____
 Production areas have been stabilized? _____ Segregated soils have been replaced? _____

RESTORATION AND REVEGETATION

Cropland

Top soil replaced _____ Recontoured _____ Perennial forage re-established _____

Non-Cropland

Top soil replaced _____ Recontoured _____ 80% Revegetation _____

1003e. INTERIM VEGETATION TRANSECT
 TRANSECT RESULTS OF DISTURBED AREA% _____
 TRANSECT RESULTS OF REFERENCE AREA% _____
 TOTAL % OF DESIRABLE VEGETATION COVER _____
 VEGETATIVE COVER _____

1003 f. Weeds Noxious weeds? _____

Comment

Corrective Action

Date _____

Overall Interim Reclamation

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____ Date Final Reclamation Completed: _____

Final Land Use: _____

Reminder: _____

Comment:

Well plugged _____ Pit mouse/rat holes, cellars backfilled _____

Debris removed _____ No disturbance /Location never built _____

Access Roads Regraded _____ Contoured _____ Culverts removed _____

Gravel removed _____

Location and associated production facilities reclaimed _____ Locations, facilities, roads, recontoured _____

Compaction alleviation _____ Dust and erosion control _____

Non cropland: Revegetated 80% _____ Cropland: perennial forage _____

Weeds present _____ Subsidence _____

1004.d. FINAL VEGETATION TRANSECT
 TRANSECT RESULTS OF DISTURBED AREA% _____
 TRANSECT RESULTS OF REFERENCE AREA% _____
 TOTAL % OF DESIRABLE VEGETATION COVER _____
 VEGETATIVE COVER _____

Comment:

Corrective Action:

Date _____

Overall Final Reclamation _____ Well Release on Active Location Multi-Well Location

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		Chemical tank containment
Compaction						Light compaction in some areas
		Compaction				Light compaction in some sections
		Ditches				
Gravel						Sparse to none in some areas
		Gravel				Sparse to none in most sections
		Culverts				
Other	Fail					Erosion & transport of sediment off location
Comment: 1. Erosion & transport of sediment off location into a vegetated area/insufficient BMP's						
Corrective Action: Comply with CECMC Stormwater rules						
						Date: <u>03/29/2025</u>
Pits: <input checked="" type="checkbox"/> NO SURFACE INDICATION OF PIT						

ECMC Comments		
Comment	User	Date
Please refer to Interim Reclamation & Stormwater for corrective actions & also refer to Signs/Marker for comments.	smelserw	03/14/2025

Attached Documents

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

Document Num	Description	URL
708905974	Inspection/Audit 708905972 photo log	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6960525
708905975	Inspection/Audit 708905972 Stormwater photo log	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6960526