

**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 FORM**Loc 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

<b>Lease Road:</b>			
Type	Access		
comment:			
Corrective Action	L	Date:	

Overall Good: ☐

<b>Signs/Marker:</b>			
Type	BATTERY		
Comment:	1 battery lacks required signage		
Corrective Action:	Comply with CECMC signage rules	Date:	04/10/2025
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	TANK LABELS/PLACARDS		
Comment:			
Corrective Action:		Date:	

Emergency Contact Number:

Comment: 911/970-285-2615

Corrective Action:

Date: \_\_\_\_\_

Overall Good: ☐

<b>Spills:</b>			
Type	Area	Volume	

In Containment: No

Comment:

☐ Multiple Spills and Releases?

<b>Equipment:</b>			corrective date
Type: Horizontal Heated Separator	# 4		
Comment:			
Corrective Action:		Date:	
Type: Gas Meter Run	# 8		
Comment:			
Corrective Action:		Date:	
Type: Vertical Heated Separator	# 4		
Comment:			
Corrective Action:		Date:	

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

**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)						
<b><u>Berms</u></b>						
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:	
<b><u>Paint</u></b>						
Condition	Adequate					
Other (Content)						
Other (Capacity)						
Other (Type)						
<b><u>Berms</u></b>						
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance		
Metal	Adequate	Walls Sufficient				
Comment:	Centralized containment					
Corrective Action:					Date:	
<b><u>Venting:</u></b>						
Yes/No	NO					
Comment:						
Corrective Action:					Date:	
<b><u>Flaring:</u></b>						
Type						
Comment:						
Corrective Action:					Date:	

Inspected Facilities				
Facility ID:	260543	Type:	WELL	API Number: 045-07864 Status: PR Insp. Status: PR
<b>Producing Well</b>				
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
<b>Producing Well</b>				
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
<b>Producing Well</b>				
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
<b>Producing Well</b>				
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
<b>Producing Well</b>				
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
<b>Producing Well</b>				
Comment:	Producing, well on plunger lift			
Corrective Action:	Well lacks wellbore diagram/not in compliance with CECMC rules		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
		Ditches				
Sediment Traps						Sediment trap approximately 90% full of sediment
Compaction						Light compaction in some areas
Other	Fail					Erosion & transport of sediment/insufficient BMP's
Ditches						
		Gravel				Sparse to none in most sections
		Culverts				
		Compaction				Light compaction in some sections
Gravel						Sparse to none in most areas

Comment: 1. Erosion &amp; 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 Documents**You can go to ECMC Images (<https://ecmc.state.co.us/weblink/>) and search by document number:

Document Num	Description	URL
404122560	INSPECTION SUBMITTED	<a href="https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6953898">https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6953898</a>
708905949	Inspection/Audit 708905948 Stormwater photo log	<a href="https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6953895">https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6953895</a>
708905950	Inspection/Audit 708905948 photo log	<a href="https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6953896">https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6953896</a>