

**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:

03/17/2025

Submitted Date:

03/21/2025

Document Number:

718100322

FIELD INSPECTION FORM

Loc ID: 335928 Inspector Name: Trujillo, Aaron 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:

- 7 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
		ecmc.inspections@qb-energy.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
335928	LOCATION	AC			-	SG E34 496	RI

General Comment:

On 3/17/2025, Western Reclamation Work Lead Trujillo conducted an interim reclamation and stormwater inspection at Caerus Piceance LLC's ELU SG/L24 496 location in Garfield County, Colorado.

Location is Fee Surface / Fed Mineral

Location is within the following High Priority Habitats: Elk Production Area; Greater Sage Grouse Priority Habitat Management Area; Mule Deer Migration Corridor

All wells on Location have been transferred to QB Energy Operating LLC #10844, from Caerus Piceance LLC #10456; However, Location records still show Caerus as the "Operator of Record". Advise contacting ECMC Financial Assurance & Audit Unit for any necessary corrections to ensure Location ownership is also properly transferred.

The following compliance issues were observed during this inspection:
-Good Housekeeping
-It was also observed that interim reclamation is due on the Location.

Refer to the Location, Reclamation and Stormwater sections of this inspection report for additional details.

Refer to the photo-documentation attached to this report.

Any corrective action(s) from previous inspection that have not been addressed are still applicable.

Location

Overall Good:

Emergency Contact Number:

Comment: All signage on Location identifies Caerus Piceance as the Operator; records show all wells have been transferred to QB Energy.

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. Pursuant to Form 9 #403887337 (approved 2/19/2025), all signage on Location will require updating by 4/20/2025.

Corrective Action:

Date:

Good Housekeeping:

Type

Comment: Porta-john facility physically secured.

Corrective Action:

Date:

Type

Comment: Various trash, debris or unused equipment observed throughout the Location:
-Unused hose equipment observed stored on the eastern edge of the Location.
-Unused cellar grate observed along the wells; if cover remains necessary, it should be replaced, or removed if no longer needed.
-Unused pipe stored next to the tank battery.

Corrective Action: Comply with 606 Rules.

Date: 03/28/2025

Overall Good:

Spills:

Type	Area	Volume

In Containment: No

Comment:

Multiple Spills and Releases?

Venting:

Yes/No

Comment:

Corrective Action:

Date:

Flaring:

Type

Comment:

Corrective Action:

Date:

Inspected Facilities

Facility ID: 335928 Type: LOCATION API Number: - Status: AC Insp. Status: RI

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: RANGELAND

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 _____

Comment _____

Corrective Action _____

Date _____

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 [See "COGCC Comments" at the end of this report.](#)

Corrective Action **Submit, attached to a Form 4, a schedule of planned reclamation activities for the SG E34-496, including date 1003 interim reclamation work will be completed. Request that the Sundry is routed to Reclamation Work Lead Trujillo.**

It is ECMC's expectation that every reasonable effort shall be made to complete reclamation before the next local growing season, pursuant to 1000 series requirements.

Date **03/28/2025**

Overall Interim Reclamation

Final Reclamation/ Abandoned Location:

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

Final Land Use: RANGELAND

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: <input style="width: 95%;" type="text"/>	
Corrective Action: <input style="width: 95%;" type="text"/>	Date: <input style="width: 20%;" type="text"/>
Overall Final Reclamation <input type="checkbox"/>	Well Release on Active Location <input type="checkbox"/> Multi-Well Location <input type="checkbox"/>

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment

Comment: <input style="width: 95%;" type="text" value="No immediate stormwater issues were observed at time of inspection."/>	
Corrective Action: <input style="width: 95%;" type="text"/>	Date: <input style="width: 20%;" type="text"/>

Pits: NO SURFACE INDICATION OF PIT

ECMC Comments

Comment	User	Date
<p>INTERIM RECLAMATION</p> <p>Form 4 #403434572 permitted the temporary expansion of the SG E34-496 well pad, to install temporary equipment to process flush production from the NPM M33-496 Pad (#335937).</p> <p>Per F42 403533013, construction activities commenced 9/20/2023 to modify the Location to accommodate frac support for the NPM M33-496 well pad.</p> <p>Location records for the NPM M33-496 Pad show all wells have been P&Ad, or are Producing as of 10/2024.</p> <p>Pursuant to Form 45 #404050965, Interim Reclamation of the NPM M33 496 Pad was completed 10/29/2024.</p> <p>All subsequent Operations associated with the SG E34-496 and NPM M33-496 Pad Locations appear to have been completed.</p> <p>It was observed in this inspection that the temporary equipment identified in Sundry #403853119 has been removed.</p> <p>This Location is subject to 1003 Interim Reclamation Requirements.</p>	trujilloam	03/21/2025

Attached Documents

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

Document Num	Description	URL
718100324	Inspection Photos	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6969872