

**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:

03/24/2025

Submitted Date:

03/24/2025

Document Number:

708906094

**FIELD INSPECTION FORM**

Loc ID 334963 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:**

29 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
211310	WELL	PR	11/01/2021	GW	045-07069	COUEY 5-14	PR
256614	WELL	PR	04/01/2000	GW	045-07476	COUEY 5-13(N5)	PR

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

On 03/24/2025 at approximately 11:50 hours, I, Compliance Specialist, Wayne Smelser

Conducted an on-site inspection/audit at QB Energy COUEY 5-14 (N5) Pad.

Location # 334963 in Garfield County Colorado.

Location is within High Priority/Density/Black Bear Habitat areas &amp; in close proximity to NSO Habitat area.

Location is approximately 311 yards from Mamm Creek.

While there, I observed normal production operations.

During this inspection/audit the following compliance issues were observed:

1. Equipment - Mechanical Condition – Possible leak on tank valve with a CA date of 03/25/2025

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			
<b>Lease Road:</b>			
Type	Access		
comment:			
Corrective Action	L	Date:	
Overall Good: <input type="checkbox"/>			
<b>Signs/Marker:</b>			
Type	CONTAINERS		
Comment:	Chemical tanks		
Corrective Action:		Date:	
Type	OTHER		
Comment:	Sign at entrance to location		
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:	Sign at intersection of Shaeffer Road & start of lease road		
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	BATTERY		
Comment:			
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:	Signs at separators		
Corrective Action:		Date:	
Emergency Contact Number:			
Comment:	911/970-285-2615		
Corrective Action:		Date:	
<b>Good Housekeeping:</b>			
Type	WEEDS		
Comment:	Small amount of weeds in secondary containment		
Corrective Action:		Date:	

Overall Good: ☐

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

In Containment: No

Comment: ☐ Multiple Spills and Releases?

<b>Fencing/:</b>			
Type	LOCATION		
Comment:	Barbed wire fence		
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:	Cattle panels		
Corrective Action:		Date:	
Type	OTHER		
Comment:	Chemical tank - cattle panels		
Corrective Action:		Date:	

<b>Equipment:</b>			corrective date
Type: Plunger Lift	# 2		
Comment:	All wells on plunger lift		
Corrective Action:		Date:	
Type: Ancillary equipment	# 2		
Comment:	Chemical tanks		
Corrective Action:		Date:	
Type: Horizontal Heated Separator	# 2		
Comment:			
Corrective Action:		Date:	
Type: Bradenhead	# 2		
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: Other	# 1		
Comment:	Mechanical Condition – Possible leak on tank valve  At approximately 11:54 hours observed a possible leak on production tank valve. At approximately 12:02 hours I called Terry Martinez with QB Energy & told him about the leak & informed him that I was issuing a 24 hour corrective action on the observed compliance issue. He said he'd get on it.		
Corrective Action:	All Production Facilities, valves, pipes, fittings, and vessels will be securely fastened or sealed, inspected at regular intervals, and maintained in good mechanical condition.	Date:	03/25/2025
Type: Gas Meter Run	# 2		
Comment:			

Corrective Action:		Date:	
Type: Bird Protectors	# 2		
Comment:			
Corrective Action:		Date:	

**Tanks and Berms:**

Contents	#	Capacity	Type	Tank ID	SE GPS
METHANOL	2	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:	Centralized containment Unlined containment			
Corrective Action:				Date:

Contents	#	Capacity	Type	Tank ID	SE GPS
CONDENSATE	2	300 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			
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:	211310	Type:	WELL	API Number:	045-07069	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Producing, well on plunger lift								
Corrective Action:								Date:	
BradenHead									
Date of Last Brhd Test:	05/31/2024		Annual Brhd Completed?						
Last Brhd Test Results	Initial Surf Csg Pressure:		139		Fluid Type:				
	End Surf Csg Pressure:		0						
Comment:	Bradenhead pressure 29.01% of the TVD in feet of the surface casing shoe expressed in psig								
	PMP - FORM 4 SUNDRY document #'s 403189254 & 403468244								
Corrective Action:								Date:	
The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12									
Facility ID:	256614	Type:	WELL	API Number:	045-07476	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
Gravel						Sparse to none in some areas
		Ditches				
		Culverts				
		Gravel				Sparse to none in some areas
		Compaction				Small amount of light compaction
Compaction						Small amount of light compaction
				Material Handling And Spill Prevention		Chemical tank containments

Comment: Corrective Action: Date: **Pits:** ☒ NO SURFACE INDICATION OF PIT**ECMC Comments**

Comment	User	Date
Please refer to Equipment for corrective action & also refer to Signs/Marker, Housekeeping & Inspected Facilities for comments.	smelserw	03/24/2025

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

Document Num	Description	URL
708906095	Inspection/Audit 708906094 Stormwater photo log	<a href="https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6972772">https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6972772</a>
708906096	Inspection/Audit 708906094 photo log	<a href="https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6972773">https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6972773</a>