

**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:

718100327

FIELD INSPECTION FORM

Loc ID: 425805 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
- 4 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
Toews, Wesley		wtoews@blm.gov	
,		ecmc.inspections@qb-energy.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
425805	LOCATION	AC	01/13/2025		-	NPR H15-596	RI

General Comment:

On 3/17/2025, Western Reclamation Work Lead Trujillo conducted an interim reclamation and stormwater inspection at Caerus Piceance LLC's NPR H15-596 location in Garfield County, Colorado.

Location is split estate with half of the site being Fee Surface / Fee Mineral, and Fed Surface / Fed Mineral

Location is within the following High Priority Habitats: Aquatic Native Species Conservation Waters; Elk Winter Concentration Area; Mule Deer Winter Concentration Area

The following compliance issues were observed during this inspection:

- Subsidance
- Unused equipment
- Secondary containment

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 14 of the 21 active wells on the Location 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 #403887102 (approved 1/16/2025), well signage for QB wells on Location required updating by 3/17/2025.

Corrective Action:

Date:

Good Housekeeping:

Type: UNUSED EQUIPMENT
 Comment: Gas Meter/Lift and riser equipment on the southwest end of the Location appears to be associated with P&Ad wells; Lift and risers have been disconnected and are considered unused equipment.
 Corrective Action: Comply with 606 Rules and remove unused equipment.
 Date: 04/21/2025

Overall Good:

Spills:

Type	Area	Volume			

In Containment: No

Comment:

Multiple Spills and Releases?

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
OTHER	1	200 BBLs	STEEL AST		
Comment:					
Corrective Action:					Date:

Paint

Condition	<input type="text"/>
Other (Content)	Condensate / Produced water mix
Other (Capacity)	<input type="text"/>
Other (Type)	<input type="text"/>

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal				Inadequate
Comment: Significant damage to the eastern perimeter of the secondary containment berm evident. Unclear if BMP is sufficiently impervious to contain a spill or release from the tank.				
Corrective Action: Maintain BMP to ensure control measure remains in proper functioning condition, and is sufficiently impervious to contain a spill or release.				Date: 04/21/2025

Venting:

Yes/No	<input type="text"/>		
Comment:	<input type="text"/>		
Corrective Action:	<input type="text"/>	Date:	<input type="text"/>

Flaring:			
Type			
Comment:			
Corrective Action:		Date:	

Inspected Facilities

Facility ID: 425805 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: OTHER, RANGELAND

Comment: _____

1002 SITE PREPARATION AND STABILIZATION

1002a. FENCING _____

Comment _____

Corrective Action _____

Date _____

1002b. SOIL REMOVAL AND _____

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? Pass Production areas stabilized ? In
 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? In
 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 Pass 80% Revegetation In

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? I

Comment It was observed in this inspection that several rat or other bore holes on the Location have not been properly closed/backfilled pursuant to Rule 1003.a. Holes on Location are currently covered with an unsecured plate.

Corrective Action Comply with Rule 1003.a

Date 04/21/2025

Overall Interim Reclamation In Process

Final Reclamation/ Abandoned Location:

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

Final Land Use: OTHER, 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 Fail

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

Comment: Subsidence issues evident within areas of the recently P&Ad wells on the Location.

Corrective Action: Conduct work to address the subsidence issues occuring on the Location, and to ensure site remains stabilized

Date 04/21/2025

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
Ditches						
Sediment Traps						
Rip Rap						
Seeding						
Compaction						
Berms						

Comment:

Corrective Action:

Date: _____

Pits: NO SURFACE INDICATION OF PIT

Attached Documents

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

Document Num	Description	URL
404137513	INSPECTION SUBMITTED	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6969881
718100328	Inspection Photos	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6969874