

**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:

03/31/2025

Submitted Date:

04/01/2025

Document Number:

708906158

FIELD INSPECTION FORMLoc ID 334688 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:

27 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	
Toews, Wesley		wtoews@blm.gov	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
269780	WELL	SI	07/01/2024	GW	045-09409	RULISON FEDERAL 11-14	SI
274573	WELL	SI	07/01/2024	GW	045-13361	FEDERAL 11-2 (RA11)	SI
274585	WELL	SI	07/01/2024	GW	045-13366	FEDERAL 11-8 (RA11)	SI
274586	WELL	SI	07/01/2024	GW	045-13365	FEDERAL 11-7 (RA11)	SI
292227	WELL	SI	07/01/2024	GW	045-14648	FEDERAL 11-1D (RA11)	SI
292228	WELL	SI	07/01/2024	GW	045-14647	FEDERAL 11-7A(RA11)	SI

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

On 03/31/2025 at approximately 12:31 hours, I, Compliance Specialist, Wayne Smelser
Conducted an on-site inspection/audit at QB Energy RULISON FEDERAL 11-14 (RA11) Pad.
Location # 334688 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. Tanks & Berms - Holes in secondary containment liner/liner needs maintenance with a CA date of 04/21/2025

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: ☐

Signs/Marker:			
Type	BATTERY		
Comment:			
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 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	WELLHEAD		
Comment:	Signs at separators		
Corrective Action:		Date:	

Emergency Contact Number:

Comment: 911/970-285-2615

Corrective Action:

Date: _____

Overall Good: ☐

Spills:				
Type	Area	Volume		

In Containment: No

Comment:

☐ Multiple Spills and Releases?

Fencing/:			
Type	LOCATION		
Comment:	Barbed wire Fencing around location showing some signs of disrepair, if condition of fencing continues to worsen corrective action may be issued in future inspections.		
Corrective Action:		Date:	
Type	WELLHEAD		

Comment: Jersey barriers			
Corrective Action:		Date:	
Equipment:			corrective date
Type: Bradenhead	# 6		
Comment: Pressure transducers located on bradenheads, bradenhead valves are accessible.			
Corrective Action:		Date:	
Type: Bird Protectors	# 2		
Comment:			
Corrective Action:		Date:	
Type: Deadman # & Marked	# 2		
Comment: Marked			
Corrective Action:		Date:	
Type: Plunger Lift	# 6		
Comment: All wells on plunger lift			
Corrective Action:		Date:	
Type: Gas Meter Run	# 6		
Comment: Summit Midstream			
Corrective Action:		Date:	
Type: Vertical Heated Separator	# 6		
Comment:			
Corrective Action:		Date:	

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
METHANOL	1	<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					
Comment: Centralized containment					
Corrective Action:				Date:	
Contents	#	Capacity	Type	Tank ID	SE GPS
CONDENSATE	2	500 BBLS	STEEL AST		,
Comment: 1 of the 2 tanks is equipped with telemetry					
Corrective Action:				Date:	

Paint

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

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal	Inadequate	Walls Insufficient		Inadequate
Comment:	Holes in secondary containment liner/liner needs maintenance			
Corrective Action:	The liner will be sufficiently impervious so that any discharge from a primary containment system will not escape containment before cleanup occurs.			Date: 04/21/2025

Venting:

Yes/No	NO		
Comment:			
Corrective Action:		Date:	

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Inspected Facilities

Facility ID: 269780 Type: WELL API Number: 045-09409 Status: SI Insp. Status: SI

Idle Well

Purpose: ☒ Shut In ☐ Temporarily Abandoned

Reminder: _____

Comment: Shut In

Last produced June 2024

Corrective Action: _____

Date: _____

The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

Facility ID: 274573 Type: WELL API Number: 045-13361 Status: SI Insp. Status: SI

Idle Well

Purpose: ☒ Shut In ☐ Temporarily Abandoned

Reminder: _____

Comment: Shut In

Last produced June 2024

Corrective Action: _____

Date: _____

The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

Facility ID: 274585 Type: WELL API Number: 045-13366 Status: SI Insp. Status: SI

Idle Well

Purpose: ☒ Shut In ☐ Temporarily Abandoned

Reminder: _____

Comment: Shut In

Last produced June 2024

Corrective Action: _____

Date: _____

The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

Facility ID: 274586 Type: WELL API Number: 045-13365 Status: SI Insp. Status: SI

Idle Well

Purpose: ☒ Shut In ☐ Temporarily Abandoned

Reminder: _____

Comment: Shut In

Last produced June 2024

Corrective Action: _____

Date: _____

The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

Facility ID: 292227 Type: WELL API Number: 045-14648 Status: SI Insp. Status: SI

Idle Well

Purpose: ☒ Shut In ☐ Temporarily Abandoned

Reminder: _____

Comment: Shut In

Last produced June 2024

Corrective Action: _____

Date: _____

The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

Facility ID: 292228 Type: WELL API Number: 045-14647 Status: SI Insp. Status: SI

Idle Well	
Purpose: <input checked="" type="checkbox"/> Shut In <input type="checkbox"/> Temporarily Abandoned	Reminder: _____
<u>Comment:</u> <div>Shut In Last produced June 2024</div>	
Corrective Action: <div></div>	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
Rip Rap						
Compaction						Light compaction in multiple areas
Retention Ponds						
		Gravel				Sparse to none in most sections
		Culverts				
		Compaction				Light compaction in some sections
Berms						
Gravel						Sparse to none in most areas
		Ditches				
Other						Subsidence starting to develop near separator
Ditches						

Comment: Subsidence starting to develop near separator - please refer to photo log

If subsidence continues unchecked corrective actions may be issued in future inspections.

Corrective Action:

Date: _____

Pits: ☒ NO SURFACE INDICATION OF PIT**ECMC Comments**

Comment	User	Date
Please refer to Tanks & Berms for corrective action & also refer to Signs/Marker, Fencing & Stormwater for comments.	smelserw	04/01/2025

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

Document Num	Description	URL
708906159	Inspection/Audit 708906158 Stormwater photo log	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6986784
708906160	Inspection/Audit 708906158 photo log	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6986785