

**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:

03/25/2025

Submitted Date:

04/01/2025

Document Number:

708906155

FIELD INSPECTION FORMLoc ID 334939 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:**

40 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
QB Energy		ecmc.inspections@qb-energy.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
267801	WELL	PR	04/21/2003	GW	045-09215	TWIN CREEK 1-15B (O1E)	PR
295206	WELL	PR	07/27/2009	GW	045-15707	TWIN CREEK 1-11A1 (O1E)	PR
299473	WELL	PR	08/11/2009	GW	045-17681	TWIN CREEK 1-14B1 (O1E)	PR
299474	WELL	PR	07/01/2024	GW	045-17682	TWIN CREEK 1-14B2(O1E)	PR
299475	WELL	PR	07/30/2009	GW	045-17683	TWIN CREEK 1-11B2 (O1E)	PR
299476	WELL	PR	08/10/2009	GW	045-17684	TWIN CREEK 1-14A1(O1E)	PR
299477	WELL	PR	08/07/2009	GW	045-17685	TWIN CREEK 12-3A1(O1E)	PR
299478	WELL	PR	08/05/2009	GW	045-17686	TWIN CREEK 1-11A2(O1E)	PR
299479	WELL	PR	08/02/2009	GW	045-17687	TWIN CREEK 1-14A2 (O1E)	PR

General Comment:

CECMC Inspection/Audit Report Summary

On 03/25/2025 at approximately 13:28 hours, I, Compliance Specialist, Wayne Smelser

Conducted an on-site inspection/audit at QB Energy TWIN CREEK 1-15B (O1E) Pad.

Location # 334939 in Garfield County Colorado.

Location is within High Priority/Density/NSO/Black Bear Habitat areas.

Location is approximately 129 yards from West Divide Creek & approximately 325 yards from East Divide Creek.

While there, I observed normal production operations.

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

1. Signs/Marker - Methanol tank lacks required information with a CA date of 05/01/2025
2. Housekeeping - Barbed wire laying on ground/wildlife hazard with a CA date of 04/08/2025

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.

Split pad/Remote location - Shared facilities with the TWIN CREEK 1-10C2 (O1EB) Pad location # 416887

Location			
Lease Road:			
Type	Access		
comment:			
Corrective Action	L	Date:	
Overall Good: <input type="checkbox"/>			
Signs/Marker:			
Type	WELLHEAD		
Comment:	Signs at separators		
Corrective Action:		Date:	
Type	OTHER		
Comment:	Sign at intersection of Divide Creek Road & start of lease road		
Corrective Action:		Date:	
Type	BATTERY		
Comment:	Battery sign does not list all wells associated with tank battery/not in compliance with CECMC rules		
Corrective Action:		Date:	
Type	TANK LABELS/PLACARDS		
Comment:	Methanol tank lacks required information		
Corrective Action:	All Tanks with a capacity of 10 Barrels or greater will be labeled or posted with the following information: A. Name of Operator; B. Operator's emergency contact telephone number; C. Tank capacity; D. Tank contents; and E. NFPA label or equivalent globally harmonized label.	Date:	05/01/2025
Type	OTHER		
Comment:	Sign at entrance to location		
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:	
Emergency Contact Number:			
Comment:	911/970-285-2615		
Corrective Action:		Date:	

Good Housekeeping:			
Type	OTHER		
Comment:	Small amount of staining near tank battery & staining near wellheads - please refer to photo log		
Corrective Action:		Date:	
Type	OTHER		
Comment:	Barbed wire laying on ground/wildlife hazard		
Corrective Action:	Comply with CECMC wildlife rules	Date:	04/08/2025
Type	DEBRIS		
Comment:	Debris - please refer to photo log		
Corrective Action:		Date:	

Overall Good: ☐

Spills:			
Type	Area	Volume	
In Containment: No			
Comment:			
<input type="checkbox"/> Multiple Spills and Releases?			

Fencing/:			
Type	LOCATION		
Comment:	Barbed wire fence		
Corrective Action:		Date:	

Equipment:			corrective date
Type: Gas Meter Run	# 2		
Comment:	Summit Midstream		
Corrective Action:		Date:	
Type: Bird Protectors	# 9		
Comment:			
Corrective Action:		Date:	
Type: Vertical Separator	# 1		
Comment:			
Corrective Action:		Date:	
Type: Emission Control Device	# 1		
Comment:			
Corrective Action:		Date:	
Type: Vertical Heated Separator	# 20		
Comment:			
Corrective Action:		Date:	
Type: Plunger Lift	# 9		
Comment:	All wells on plunger lift		
Corrective Action:		Date:	

Type: Horizontal Heated Separator	# 1		
Comment:			
Corrective Action:			Date:
Type: Other	# 1		
Comment:	PRV vent line on tank burner does not comply with CECMC pressure safety device rules or general safety rules - please refer to photo log		
Corrective Action:			Date:
Type: Other	# 1		
Comment:	Bear proof trash container		
Corrective Action:			Date:
Type: Pig Station	# 3		
Comment:			
Corrective Action:			Date:
Type: Bradenhead	# 9		
Comment:	Pressure transducers located on bradenheads, bradenhead valves are accessible.		
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: Ancillary equipment	# 1		
Comment:	Chemical tank		
Corrective Action:			Date:
Type: Vertical Heated Separator	# 3		
Comment:			
Corrective Action:			Date:
Type: Gas Meter Run	# 4		
Comment:			
Corrective Action:			Date:
Type: Gas Meter Run	# 20		
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) _____							
<u>Berms</u>							
Type	Capacity	Permeability (Wall)		Permeability (Base)		Maintenance	
Metal	Adequate						
Comment: Separate containment							
Corrective Action:							Date: _____
Contents	#	Capacity	Type	Tank ID	SE GPS		
PRODUCED WATER	2	OTHER	STEEL AST		,		
Comment: Tanks equipped with telemetry							
Corrective Action:							Date: _____
<u>Paint</u>							
Condition	Adequate _____						
Other (Content) _____							
Other (Capacity) 210 bbl _____							
Other (Type) _____							
<u>Berms</u>							
Type	Capacity	Permeability (Wall)		Permeability (Base)		Maintenance	
Metal							
Comment: Separate centralized containment							
Corrective Action:							Date: _____
Contents	#	Capacity	Type	Tank ID	SE GPS		
CONDENSATE	2	500 BBLs	HEATED STEEL AST		,		
Comment: Tanks equipped with telemetry							
Corrective Action:							Date: _____
<u>Paint</u>							
Condition	Adequate _____						
Other (Content) _____							
Other (Capacity) _____							
Other (Type) _____							
<u>Berms</u>							
Type	Capacity	Permeability (Wall)		Permeability (Base)		Maintenance	
Metal	Adequate	Walls Sufficient					
Comment: Centralized containment							
Corrective Action:							Date: _____
<u>Venting:</u>							
Yes/No	NO						
Comment:							
Corrective Action:							Date: _____
<u>Flaring:</u>							
Type							

Comment:			
Corrective Action:		Date:	

Inspected Facilities						
Facility ID:	267801	Type:	WELL	API Number: 045-09215	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						
Facility ID:	295206	Type:	WELL	API Number: 045-15707	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						
Facility ID:	299473	Type:	WELL	API Number: 045-17681	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						
Facility ID:	299474	Type:	WELL	API Number: 045-17682	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						
Facility ID:	299475	Type:	WELL	API Number: 045-17683	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						
Facility ID:	299476	Type:	WELL	API Number: 045-17684	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						
Facility ID:	299477	Type:	WELL	API Number: 045-17685	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						
Facility ID:	299478	Type:	WELL	API Number: 045-17686	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						

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

Facility ID:	299479	Type:	WELL	API Number:	045-17687	Status:	PR	Insp. Status:	PR
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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

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Reclamation - Storm Water - Pit**Storm Water:**

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Retention Ponds						
		Culverts				
Rip Rap						
Gravel						Sparse to none in areas
		Gravel				Sparse to none
Ditches						
		Ditches				
				Material Handling And Spill Prevention		Chemical tank containment
Berms						
		Compaction				Small amount of light compaction
Compaction						Small amount of light compaction

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

Comment	User	Date
Please refer to Signs/Marker & Housekeeping for corrective actions.	smelserw	04/01/2025
Split pad/Remote location - Shared facilities with the TWIN CREEK 1-10C2 (01EB) Pad location # 416887		

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

Document Num	Description	URL
404149595	INSPECTION SUBMITTED	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6986717
708906156	Inspection/Audit 708906155 Stormwater photo log	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6986711
708906157	Inspection/Audit 708906155 photo log	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6986712