

**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:

04/02/2025

Document Number:

708906161

FIELD INSPECTION FORMLoc ID 334668 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:

23 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
Toews, Wesley		wtoews@blm.gov	
QB Energy		ecmc.inspections@qb-energy.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
211444	WELL	PR	06/14/2002	CBM	045-07204	SCARBER 2-42	PR
269170	WELL	PR	06/01/2019	GW	045-09324	SCARBER FEDERAL 2-13 (RN2)	PR
272868	WELL	PR	04/22/2005	GW	045-10184	SCARBER FEDERAL 2-12D (RN2)	PR
272869	WELL	SI	07/01/2024	GW	045-10183	SCARBER FEDERAL 2-14D (RN2)	SI

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

On 03/31/2025 at approximately 13:06 hours, I, Compliance Specialist, Wayne Smelser

Conducted an on-site inspection/audit at QB Energy SCARBER 2-42 (RN2) Pad.

Location # 334668 in Garfield County Colorado.

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

Location is approximately 48 yards from Porcupine Creek.

While there, I observed normal production operations.

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

1. Equipment - PRV vent line does not comply with CECMC pressure safety device rules with a CA date of 04/09/2025

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	L	Date:	

Overall Good: ☐

Signs/Marker:			
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	OTHER		
Comment:	Sign at entrance to location Sign obscured by weeds - please refer to photo log		
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:	Signs at separators		
Corrective Action:		Date:	
Type	TANK LABELS/PLACARDS		
Comment:			
Corrective Action:		Date:	
Type	BATTERY		
Comment:			
Corrective Action:		Date:	

Emergency Contact Number:	
Comment:	911/970-285-2615
Corrective Action:	
Date:	

Overall Good: ☐

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

Fencing/:			
Type	OTHER		

Comment:	Summit Midstream meter houses - Bollards			Date:	
Corrective Action:				Date:	
Equipment:				corrective date	
Type: Bird Protectors	# 1				
Comment:				Date:	
Corrective Action:				Date:	
Type: Other	# 1				
Comment:	PRV vent line does not comply with CECMC pressure safety device rules			Date:	
Corrective Action:	Comply with CECMC pressure safety device rules			Date:	04/09/2025
Type: Vertical Heated Separator	# 4				
Comment:				Date:	
Corrective Action:				Date:	
Type: Bradenhead	# 4				
Comment:	Pressure transducers located on bradenheads, bradenhead valves are accessible.			Date:	
Corrective Action:				Date:	
Type: Gas Meter Run	# 4				
Comment:	Summit Midstream			Date:	
Corrective Action:				Date:	
Type: Plunger Lift	# 4				
Comment:	All wells on plunger lift			Date:	
Corrective Action:				Date:	

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
CONDENSATE	1	500 BBLS	STEEL AST		,
Comment:	Tank 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	Walls Sufficent			
Comment:	Centralized containment				
Corrective Action:				Date:	
Contents	#	Capacity	Type	Tank ID	SE GPS
METHANOL	1	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	Walls Sufficent		
Comment:	Centralized containment			
Corrective Action:				Date:
Venting:				
Yes/No	NO			
Comment:				
Corrective Action:				Date:
Flaring:				
Type				
Comment:				
Corrective Action:				Date:

Inspected Facilities									
Facility ID:	211444	Type:	WELL	API Number:	045-07204	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:	269170	Type:	WELL	API Number:	045-09324	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:	272868	Type:	WELL	API Number:	045-10184	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:	272869	Type:	WELL	API Number:	045-10183	Status:	SI	Insp. Status:	SI
Idle Well									
Purpose:	<input checked="" type="checkbox"/> Shut In		<input type="checkbox"/> 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									

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

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
		Ditches				
Berms						
		Compaction				Light compaction in some sections
Compaction						Small amount of light compaction
		Gravel				Sparse to none in most sections
Gravel						Sparse to none in some areas
		Culverts				

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 for comments	smelserw	04/02/2025

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

Document Num	Description	URL
404150952	INSPECTION SUBMITTED	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6987799
708906162	Inspection/Audit 708906161 photo log	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6987785
708906163	Inspection/Audit 708906161 Stormwater photo log	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6987786