

**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:

04/07/2025

Submitted Date:

04/07/2025

Document Number:

715501504

FIELD INSPECTION FORMLoc ID 335707 Inspector Name: Burchett, Kirby 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:

20 Number of Comments

3 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 |
|----------------|----------------|--------------------------------|---------|
| Wilson, Justin | (970) 878-3825 | jrwilson@blm.gov | |
| Energy, QB | (970) 285-2600 | ecmc.inspections@qb-energy.com | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|-----------------------|-------------|
| 283239 | WELL | PR | 10/01/2024 | GW | 103-10698 | FREEDOM UNIT 297-28A1 | SI |
| 283242 | WELL | SI | 06/01/2023 | GW | 103-10696 | FREEDOM 297-28A2 | SI |
| 283245 | WELL | SI | 05/01/2024 | GW | 103-10694 | FREEDOM UNIT 297-28A3 | SI |
| 283252 | WELL | PR | 11/05/2024 | GW | 103-10690 | FREEDOM UNIT 297-28A5 | PA |

General Comment:**ECMC Inspection Report Summary**

On Monday, 04/07/2025, Inspector Kirby Burchett, conducted a routine field inspection at Caerus Piceance – QB Energy Corporation LLC on the Freedom Unit-62S97W 28NWNW pad, Location #335707, in Rio Blanco County, Colorado.

This location is within or in close proximity to a Colorado Parks and Wildlife (CPW) District, Wildlife Management Plan, and Black Bear area with High Priority, NSO, and Density Habitat regulations.

Any Corrective Actions from previous Inspections are still applicable.

While there during normal operations the following compliance issues were observed:

1. Unused equipment.
2. No sign at tank battery.
3. Well signs missing required information.

Refer to Inspection Photos for observed compliance issues.

A follow up on this site inspection will be conducted to ensure all compliance issues have been corrected to comply with ECMC rules.

LocationOverall Good: ☐

| | | | |
|----------------------|--|-------|------------|
| Signs/Marker: | | | |
| Type | OTHER | | |
| Comment: | As Location Entrance signs are replaced: The Well name; The Commission's Location identification number (ID #); The Operator's telephone number where it may be reached at all times; and the Telephone number(s) for local emergency services (911 where available) will be required. | | |
| Corrective Action: | | Date: | |
| Type | WELLHEAD | | |
| Comment: | Missing required information | | |
| Corrective Action: | The Wellhead sign will identify: The Well name; The API Number; and Its legal location, including the quarter/quarter section. | Date: | 05/08/2025 |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | CONTAINERS | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | BATTERY | | |
| Comment: | No sign | | |
| Corrective Action: | The Tank battery sign will be no less than 3 square feet and no more than 6 square feet, and will provide: Name of the Operator; Telephone number at which the Operator can be reached at all times; Telephone number for local emergency services (911 where available); The public road used to access the Tank battery site; Well name(s) and API number(s) associated with the Tank battery and the legal location of the Well(s); and Location, including the quarter/quarter section, of the Tank battery. | Date: | 05/08/2025 |

Emergency Contact Number:

Comment: 970-285-2615

Corrective Action:

Date: _____

Overall Good: ☐

| | | | | |
|----------------|------|--------|--|--|
| Spills: | | | | |
| Type | Area | Volume | | |

In Containment: No

Comment:

☐ Multiple Spills and Releases?

| | | | |
|--------------------|---------------|-------|--|
| Fencing/: | | | |
| Type | WELLHEAD | | |
| Comment: | Corral panels | | |
| Corrective Action: | | Date: | |
| Type | LOCATION | | |
| Comment: | Barbed wire | | |
| Corrective Action: | | Date: | |

| | | | |
|----------------------------|--|-------|-----------------|
| Equipment: | | | corrective date |
| Type: Flow Line | # 1 | | |
| Comment: | Manifold between wells and separators | | |
| Corrective Action: | | Date: | |
| Type: Plunger Lift | # 2 | | |
| Comment: | 28A1 and 28A3 | | |
| Corrective Action: | | Date: | |
| Type: Bradenhead | # 6 | | |
| Comment: | Surface and Intermediate casing | | |
| Corrective Action: | | Date: | |
| Type: Horizontal Separator | # 2 | | |
| Comment: | Housed Bulk and Test units | | |
| Corrective Action: | | Date: | |
| Type: Other | # 1 | | |
| Comment: | Wellhead tree. 28A2 | | |
| Corrective Action: | | Date: | |
| Type: Gas Meter Run | # 2 | | |
| Comment: | Bulk and Test meters inside separator building | | |
| Corrective Action: | | Date: | |
| Type: Ancillary equipment | # 1 | | |
| Comment: | Chemical tank on containment | | |
| Corrective Action: | | Date: | |

Tanks and Berms:

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|---|----------|-----------|---------|--------|
| CONDENSATE | 1 | 400 BBLs | STEEL AST | | , |
| Comment: | | | | | |
| Corrective Action: | | | | | Date: |

Paint

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

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|--------------------|--|---------------------|---------------------|------------------|
| Metal | Inadequate | | | |
| Comment: | Secondary containment is not sufficiently impervious to contain spilled or released materials. | | | |
| Corrective Action: | Repair or install berms or other secondary containment devices. | | | Date: 05/08/2025 |

Inspected Facilities

Facility ID: 283239 Type: WELL API Number: 103-10698 Status: PR Insp. Status: SI

Idle WellPurpose: ☒ Shut In ☐ Temporarily Abandoned

Reminder: _____

Comment: January 2025 Production Report
Shut In - December 2024

Corrective Action: _____ Date: _____

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

Facility ID: 283242 Type: WELL API Number: 103-10696 Status: SI Insp. Status: SI

Idle WellPurpose: ☒ Shut In ☐ Temporarily Abandoned

Reminder: _____

Comment: January 2025 Production Report
Shut In - June 2023

Corrective Action: _____ Date: _____

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

Facility ID: 283245 Type: WELL API Number: 103-10694 Status: SI Insp. Status: SI

Idle WellPurpose: ☒ Shut In ☐ Temporarily Abandoned

Reminder: _____

Comment: January 2025 Production Report
Shut In - May 2024

Corrective Action: _____ Date: _____

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

Facility ID: 283252 Type: WELL API Number: 103-10690 Status: PR Insp. Status: PA

Idle WellPurpose: ☐ Shut In ☐ Temporarily Abandoned

Reminder: _____

Comment: January 2025 Production Report
Plugged and Abandoned - 8/13/24

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 | | | | | | |
| Ditches | | | | | | |
| | | | | Material Handling And Spill Prevention | | |
| | | Drains | | | | |
| Gradient Terraces | | | | | | |

Comment: [Operator is responsible for maintaining Best Management Practices \(BMPs\) to control vehicle tracking and potential sediment discharges from operational roads, well pads, and other unpaved surfaces.](#)

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 |
|--------------|----------------------|---|
| 404156328 | INSPECTION SUBMITTED | https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6994032 |
| 715501505 | Inspection Photos | https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6994027 |