

**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:

04/21/2025

Submitted Date:

04/21/2025

Document Number:

708906309**FIELD INSPECTION FORM**
 Loc ID 334740 Inspector Name: Smelser, Wayne On-Site Inspection ☐ 2A Doc Num:                     
**Operator Information:**ECMC Operator Number: 10456Name of Operator: CAERUS PICEANCE LLCAddress: 1001 17TH STREET #1600City: DENVER State: CO Zip: 80202**Status Summary:**☐ THIS IS A FOLLOW UP INSPECTION☒ FOLLOW UP INSPECTION REQUIRED☐ NO FOLLOW UP INSPECTION REQUIRED**Findings:**37 Number of Comments3 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	
Heil, John		john.heil@state.co.us	
Kellerby, Shaun		shaun.kellerby@state.co.us	

**Inspected Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
292167	WELL	SI	11/01/2022	GW	045-14609	SCHWARTZ 11-2A (O2E)	PA
292168	WELL	PR	01/25/2008	GW	045-14608	SCHWARTZ 2-15A (O2E)	PR
292172	WELL	PR	06/05/2008	GW	045-14615	SCHWARTZ 11-3B (O2E)	PR
292173	WELL	SI	07/30/2024	GW	045-14614	SCHWARTZ 2-14A (O2E)	PA
292448	WELL	PR	06/03/2008	GW	045-14726	SCHWARTZ 2-14D (O2E)	PR

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

On 04/21/2025 at approximately 11:52 hours, I, Compliance Specialist, Wayne Smelser

Conducted an on-site inspection/audit at QB Energy SCHWARTZ (O2E) Pad

Location # 334740 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. Housekeeping - Multiple wildlife hazards & personnel hazard near separators & around 2 P & A wellheads with a CA date of 04/23/2025
2. Housekeeping - Poly pipe open ended/wildlife hazard/available for entry by wildlife with a CA date of 04/28/2025
3. Stormwater - Failure to maintain chemical BMP, stockpiled soils with insufficient BMP's & stockpiled soils with no BMP's with a CA date of 04/23/2025

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.

Any corrective actions from previous inspections/audits that have not been addressed are still applicable.

Location			
<b>Lease Road:</b>			
Type	Access		
comment:			
Corrective Action	L	Date:	
Overall Good: <input type="checkbox"/>			
<b>Signs/Marker:</b>			
Type	CONTAINERS		
Comment:	Chemical tanks		
Corrective Action:		Date:	
Type	BATTERY		
Comment:			
Corrective Action:		Date:	
Type	OTHER		
Comment:	Sign at entrance to location		
Corrective Action:		Date:	
Type	TANK LABELS/PLACARDS		
Comment:			
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 intersection of Dry Hollow Road & start of lease road		
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	WELLHEAD		
Comment:	Signs at separators		
Corrective Action:		Date:	
Emergency Contact Number:			
Comment:	911/970-285-2615		
Corrective Action:		Date:	
<b>Good Housekeeping:</b>			
Type	OTHER		
Comment:	Poly pipe open ended/wildlife hazard/available for entry by wildlife		
Corrective Action:	Comply with CECMC wildlife rules	Date:	04/28/2025

Type	DEBRIS		
Comment:	Small amount of deris on location - please refer to photo log		
Corrective Action:		Date:	
Type	OTHER		
Comment:	<p>Excavated area in front of separators not fully enclosed by cattle panels/wildlife hazard &amp; personnel hazard. Additionally the excavated areas lack wildlife egress/wildlife hazard</p> <p>Gate for panels around wellhead excavation areas open/wildlife hazard/available for entry by wildlife</p> <p>Excavated areas around wellheads lack wildlife egress/wildlife hazard</p>		
Corrective Action:	Comply with CECMC wildlife rules & general safety rules	Date:	04/23/2025
Type	WEEDS		
Comment:	Small amount of weeds in secondary containment - please refer to photo log		
Corrective Action:		Date:	

Overall Good: ☐

<b>Spills:</b>				
Type	Area	Volume		

In Containment: No

Comment: ☐ Multiple Spills and Releases?

<b>Fencing/:</b>			
Type	WELLHEAD		
Comment:	Cattle panels & hog panels		
Corrective Action:		Date:	
Type	OTHER		
Comment:	1 chemical tank - hog panels		
Corrective Action:		Date:	

<b>Equipment:</b>			corrective date
Type: Gas Meter Run	# 1		
Comment:	Summit Midstream		
Corrective Action:		Date:	
Type: Bird Protectors	# 5		
Comment:			
Corrective Action:		Date:	
Type: Deadman # & Marked	# 3		
Comment:	<p>1 marked deadman</p> <p>2 improperly marked deadman</p> <p>All guy line anchors left buried for future use will be identified by a marker of bright color not less than 4 feet in height and not greater than 1 foot east of the guy line anchor.</p>		
Corrective Action:		Date:	
Type: Bradenhead	# 3		

Comment:	Pressure transducers located on bradenheads, bradenhead valves are accessible.		Date:	
Corrective Action:			Date:	
Type: Vertical Heated Separator	# 5			
Comment:			Date:	
Corrective Action:			Date:	
Type: Gas Meter Run	# 5			
Comment:			Date:	
Corrective Action:			Date:	
Type: Emission Control Device	# 2			
Comment:			Date:	
Corrective Action:			Date:	
Type: Ancillary equipment	# 2			
Comment:	Chemical tanks		Date:	
	1 chemical tank is disconnected & not in use/unused equipment - please refer to photo log			
Corrective Action:			Date:	
Type: Other	# 1			
Comment:	Excavator		Date:	
Corrective Action:			Date:	
Type: Plunger Lift	# 3			
Comment:	All wells on plunger lift		Date:	
Corrective Action:			Date:	

**Tanks and Berms:**

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:				
Contents	#	Capacity	Type	Tank ID	SE GPS
CONDENSATE	2	500 BBLS	HEATED STEEL AST		,
Comment:	Tanks equipped with telemetry				

Corrective Action:		Date:	
<b>Paint</b>			
Condition	Adequate		
Other (Content)			
Other (Capacity)			
Other (Type)			
<b>Berms</b>			
Type	Capacity	Permeability (Wall)	Permeability (Base)
Metal	Adequate	Walls Sufficient	
Comment: Centralized containment			
Corrective Action:		Date:	
<b>Venting:</b>			
Yes/No	NO		
Comment:			
Corrective Action:		Date:	
<b>Flaring:</b>			
Type			
Comment:			
Corrective Action:		Date:	

**Inspected Facilities**Facility ID: 292167 Type: WELL API Number: 045-14609 Status: SI Insp. Status: PA**Idle Well**Purpose: ☐ Shut In ☐ Temporarily Abandoned

Reminder: \_\_\_\_\_

Comment: P & A

FORM 6 document # 403856971

FORM 42 document #'s 404076107 &amp; 404076114

FORM 27 document #'s 404033464, 404131555 &amp; 404168199

Corrective Action: \_\_\_\_\_

Date: \_\_\_\_\_

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

Facility ID: 292168 Type: WELL API Number: 045-14608 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: 292172 Type: WELL API Number: 045-14615 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: 292173 Type: WELL API Number: 045-14614 Status: SI Insp. Status: PA**Idle Well**Purpose: ☐ Shut In ☐ Temporarily Abandoned

Reminder: \_\_\_\_\_

Comment: P & A

FORM 6 document # 403856974

FORM 42 document #'s 404094059 &amp; 404094088

FORM 27 document #'s 404033516, 404131569 &amp; 404168204

Corrective Action: \_\_\_\_\_

Date: \_\_\_\_\_

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

Facility ID: 292448 Type: WELL API Number: 045-14726 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

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

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Berms						
Compaction						Small amount of light compaction
Berms	Fail					Insufficient BMP's around stockpiled soils
		Compaction				Light compaction in some sections
Retention Ponds						
Gravel						Sparse to none in most areas
Culverts						
		Ditches				
Other	Fail					Stockpiled soils with no BMP's
		Culverts				
		Gravel				Sparse to none in sections
				Material Handling And Spill Prevention	Fail	Failure to maintain chemical BMP
Ditches						

Comment:

1. Failure to maintain chemical BMP - Chemical tank containment full of fluid/BMP insufficient to contain possible spill/not in compliance with CECMC Stormwater rules
2. Stockpiled soils with no BMP's/not in compliance with CECMC Stormwater rules
3. Insufficient BMP's around stockpiled soils/BMP not constructed in accordance with good engineering practices/not in compliance with CECMC Stormwater rules

Corrective Action:

Comply with CECMC Stormwater rules

Date: 04/23/2025

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

Comment	User	Date
Please refer to Housekeeping & Stormwater for corrective actions & also refer to Signs/Marker, Housekeeping & Equipment for comments	smelserw	04/21/2025

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

Document Num	Description	URL
404173317	INSPECTION SUBMITTED	<a href="https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7015091">https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7015091</a>
708906310	Inspection/Audit 708906309 Stormwater photo log	<a href="https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7015089">https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7015089</a>
708906311	Inspection/Audit 708906309 photo log	<a href="https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7015090">https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7015090</a>