

**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:

04/23/2025

Submitted Date:

04/24/2025

Document Number:

708906322**FIELD INSPECTION FORM**

Loc ID 335428 Inspector Name: Smelser, Wayne On-Site Inspection ☐ 2A Doc Num: 400083575

**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:**

41 Number of Comments

4 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
Haverkamp, Curtis		curtis.haverkamp@state.co.us	
Heil, John		john.heil@state.co.us	
Toews, Wesley		wtoews@blm.gov	
QB Energy		ecmc.inspections@qb-energy.com	
Andrews, Doug		doug.andrews@state.co.us	

**Inspected Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
261246	WELL	PR	10/01/2011	GW	045-07933	GMR 28-7D (K28NW)	PR
261248	WELL	PR	04/04/2012	GW	045-07935	BENJAMIN 28-11 (K28NW)	PR
272642	WELL	SI	07/01/2024	GW	045-10106	GMU 28-14D (K28NW)	SI
420503	WELL	PR	10/10/2011	GW	045-20168	Benjamin Federal 28-13B2 (K28NW)	PR
420515	WELL	PR	10/10/2011	GW	045-20171	Benjamin Fee 33-1B (K28NW)	PR
420520	WELL	PR	10/10/2011	GW	045-20173	Benjamin Federal 28-13C1 (K28NW)	PR
420521	WELL	PR	10/24/2012	GW	045-20174	Benjamin Federal 28-14B2 (K28NW)	PR
420533	WELL	PR	10/10/2011	GW	045-20178	Benjamin Federal 28-13B1 (K28NW)	PR
420535	WELL	PR	10/10/2011	GW	045-20179	Benjamin Federal 28-13C2 (K28NW)	PR
420538	WELL	PR	10/10/2011	GW	045-20180	Benjamin Federal 28-14C (K28NW)	PR
420552	WELL	PR	10/10/2011	GW	045-20182	Benjamin Federal 33-4B (K28NW)	PR
420584	WELL	PR	10/10/2011	GW	045-20184	Benjamin Federal 28-12C2 (K28NW)	PR

420944	WELL	PR	11/01/2017	GW	045-20261	Benjamin Federal 33-3B (K28NW)	PR
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**General Comment:**

CECMC Inspection/Audit Report Summary  
On 04/23/2025 at approximately 15:50 hours, I, Compliance Specialist, Wayne Smelser  
Conducted an on-site inspection/audit at QB Energy Benjamin Federal 28-12B2 (K28NW) Pad  
Location # 335428 in Garfield County Colorado.  
Location is within High Priority/Density/Black Bear Habitat areas & in close proximity to NSO Habitat area.  
While there, I observed normal production operations.

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

- 1. Housekeeping - Staining on location near tank battery with a CA date of 05/01/2025
- 2. Equipment - PRV vent line does not comply with CECMC pressure safety device rules with a CA date of 05/01/2025
- 3. Stormwater - Failure to maintain chemical BMP with a CA date of 04/24/2025
- 4. Inspected Facilities - Casing integrity failure on the Benjamin Federal 33-4B (K28NW) well with a CA date of 05/08/2025

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.

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	TANK LABELS/PLACARDS		
Comment:			
Corrective Action:		Date:	
Type	OTHER		
Comment:	Sign at entrance to location		
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:	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	CONTAINERS		
Comment:	Chemical tanks		
Corrective Action:		Date:	
Type	BATTERY		
Comment:			
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:	Staining near tank battery		
Corrective Action:	Contact CECMC Environmental Protection Specialist John Heil & discuss observed compliance issue	Date:	05/01/2025
Type	DEBRIS		
Comment:	Small amount of debris - please refer to photo log		
Corrective Action:		Date:	

Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

Comment: ☐ Multiple Spills and Releases?**Fencing/:**

Type	LOCATION		
Comment:	Barbed wire fence		
Corrective Action:		Date:	
Type	OTHER		
Comment:	Pig station - barbed wire fence		
Corrective Action:		Date:	

**Equipment:**

			corrective date
Type: Ancillary equipment	# 1		
Comment:	Liquid nitrogen tank		
Corrective Action:		Date:	
Type: Other	# 1		
Comment:	PRV vent line does not comply with CECMC pressure safety device rules		
Corrective Action:	Comply with CECMC pressure safety device rules	Date:	05/01/2025
Type: Ancillary equipment	# 2		
Comment:	Chemical tanks		
Corrective Action:		Date:	
Type: Gas Meter Run	# 1		
Comment:	Summit Midstream		
Corrective Action:		Date:	
Type: Bradenhead	# 13		
Comment:	Pressure transducers located on bradenheads, bradenhead valves are accessible		
Corrective Action:		Date:	
Type: Gas Meter Run	# 13		
Comment:			
Corrective Action:		Date:	
Type: Bird Protectors	# 5		
Comment:			
Corrective Action:		Date:	
Type: Emission Control Device	# 1		
Comment:			
Corrective Action:		Date:	
Type: Horizontal Heated Separator	# 1		
Comment:			

Corrective Action:		Date:	
Type: Pig Station	# 1		
Comment:			
Corrective Action:		Date:	
Type: Plunger Lift	# 13		
Comment:	All wells on plunger lift		
Corrective Action:		Date:	
Type: Other	# 6		
Comment:	ECD, chemical tanks, liquid nitrogen tank, Summit Midstream meter house & pig station are not listed in operators Form 2A or Form 4 sundry/not in compliance with CECMC rules		
Corrective Action:		Date:	
Type: Vertical Heated Separator	# 12		
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	Adequate	Walls Sufficent		
Comment:	Centralized containment			
Corrective Action:				Date:

Contents	#	Capacity	Type	Tank ID	SE GPS
CONDENSATE	7	500 BBLS	STEEL AST		,
Comment:	Tanks not listed in operators Form 2A or Form 4 sundry/not in compliance with CECMC rules Tanks equipped with telemetry				
Corrective Action:					Date:

Paint

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

<b>Berms</b>					
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Metal	Adequate	Walls Sufficent			
Comment: Centralized containment					
Corrective Action:				Date:	

<b>Venting:</b>					
Yes/No	NO				
Comment:					
Corrective Action:			Date:		

<b>Flaring:</b>					
Type					
Comment:					
Corrective Action:			Date:		

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**Inspected Facilities**

Facility ID: 261246 Type: WELL API Number: 045-07933 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: 261248 Type: WELL API Number: 045-07935 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: 272642 Type: WELL API Number: 045-10106 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: 420503 Type: WELL API Number: 045-20168 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: 420515 Type: WELL API Number: 045-20171 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: 420520 Type: WELL API Number: 045-20173 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: 420521 Type: WELL API Number: 045-20174 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: 420533 Type: WELL API Number: 045-20178 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: 420535 Type: WELL API Number: 045-20179 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: 420538 Type: WELL API Number: 045-20180 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: 420552 Type: WELL API Number: 045-20182 Status: PR Insp. Status: PR

**Producing Well**

Comment: Casing integrity failure on well - please refer to FORM 4 SUNDRY document # 403923157

COA on FORM 4 states "Well is required to be repaired or plugged within 6 months of failed bradenhead test on 4/3/2024" Well has not been plugged or repaired.

Additionally it appears gas samples have not been collected as required per COA 4.

Corrective Action: Submit FORM 6 INTENT &amp; additionally contact CECMC Engineering Group on observed compliance issues

Date: 05/08/2025

**BradenHead**

Date of Last Brhd Test: 04/03/2024

Annual Brhd Completed? \_\_\_\_\_

Last Brhd Test Results Initial Surf Csg Pressure: 600 Fluid Type: WATER AND MUD

End Surf Csg Pressure: NA

Comment: BH line connected to flowline - No check valve observed on line, please refer to photo log

Corrective Action:

Date:

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

Facility ID: 420584 Type: WELL API Number: 045-20184 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: 420944 Type: WELL API Number: 045-20261 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
				Material Handling And Spill Prevention	Fail	Failure to maintain chemical BMP
		Culverts				
Ditches						
Compaction						Small amount of light compaction
Rip Rap						
Berms						
		Ditches				
		Gravel				Sparse to none
Gravel						Sparse to none in most areas
		Compaction				

## Comment:

1. Failure to maintain chemical BMP - Chemical tank containment approximately 3/4 - 7/8 full of fluid/BMP insufficient to contain possible spill (additionally the standing fluid on top of the containment constitutes a wildlife hazard)

At approximately 15:55 hours observed chemical tank containment was approximately 3/4 - 7/8 full of fluid with standing fluid on top. At approximately 16:27 hours due to limited cell service I texted Justin Johnson with QB Energy & let him know about the chemical containment & that I was issuing a 24 hour corrective action on the observed compliance issue. He said they'd have a truck on location in the morning to pull the containment. At approximately 16:46 hours I called Justin to follow up on the 24 hr CA.

## Corrective Action:

Comply with CECMC Stormwater rules

Date: 04/24/2025

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

**ECMC Comments**

Comment	User	Date
Please refer to Housekeeping, Equipment, Inspected Facilities & Stormwater for corrective actions & also refer to Signs/Marker, Equipment & Tanks & Berms for comments.	smelserw	04/23/2025
Any corrective actions from previous inspections/audits that have not been addressed are still applicable.		

**Attached Documents**

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

Document Num	Description	URL
404177589	INSPECTION SUBMITTED	<a href="https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7021027">https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7021027</a>
708906325	Inspection/Audit 708906322 Stormwater photo log	<a href="https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7021023">https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7021023</a>
708906326	Inspection/Audit 708906322 photo log	<a href="https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7021024">https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7021024</a>