

**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:

04/28/2025

Submitted Date:

05/01/2025

Document Number:

708906381

**FIELD INSPECTION FORM**Loc ID 323850 Inspector Name: Smelser, Wayne On-Site Inspection ☐ 2A Doc Num: \_\_\_\_\_**Operator Information:**

ECMC Operator Number: 10844

Name of Operator: QB ENERGY OPERATING LLC

Address: 1001 17TH STREET SUITE 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:**

22 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 |         |
| Trujillo, Aaron |       | aaron.trujillo@state.co.us     |         |

**Inspected Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num   | Facility Name         | Insp Status |
|-------------|------|--------|-------------|------------|-----------|-----------------------|-------------|
| 210975      | WELL | SI     | 07/01/2024  | GW         | 045-06733 | GRASS MESA RANCH 33-1 | SI          |

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

On 04/28/2025 at approximately 14:41 hours, I, Compliance Specialist, Wayne Smelser

Conducted an on-site inspection/audit at QB ENERGY OPERATING LLC GRASS MESA RANCH 33-1 (A33NW) Pad  
Location # 323850 in Garfield County Colorado.

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

While there, I observed normal production operations.

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

1. Housekeeping - Stored vehicles & misc in the interim area with a CA date of 05/31/2025
2. Stormwater - Stockpiled soils on location with insufficient BMP's with a CA date of 05/16/2025

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**

|                    |        |       |  |
|--------------------|--------|-------|--|
| <b>Lease Road:</b> |        |       |  |
| Type               | Access |       |  |
| comment:           |        |       |  |
| Corrective Action  | L      | Date: |  |

Overall Good: ☐

|                      |   |       |  |
|----------------------|---|-------|--|
| <b>Signs/Marker:</b> |   |       |  |
| Type                 | TANK LABELS/PLACARDS  |       |  |
| Comment:             |   |       |  |
| 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                 | BATTERY   |       |  |
| Comment:             |   |       |  |
| Corrective Action:   |   | Date: |  |
| Type                 | OTHER   |       |  |
| Comment:             | Separator unit includes attached storage tank. The sight glass located on the side of the unit indicates the storage tank is full of an unknown fluid. No form of labeling or markers are present to identify a potential hazard or the contents of the storage tank. |       |  |
| Corrective Action:   |   | Date: |  |
| Type                 | WELLHEAD  |       |  |
| Comment:             | Sign at separator   |       |  |
| Corrective Action:   |   | Date: |  |

Emergency Contact Number:

Comment: 911/970-285-2615

Corrective Action:

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

**Good Housekeeping:**

|                    |  |       |            |
|--------------------|--|-------|------------|
| Type               | STORAGE OF SUPL  |       |            |
| Comment:           | Stored cars, truck, trailer, tires & keg in the interim area<br>Additionally stored items are interfering with interim reclamation |       |            |
| Corrective Action: | The storage or placement of equipment and supplies not necessary for use on location is prohibited                                 | Date: | 05/31/2025 |

Overall Good: ☐

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

In Containment: No

Comment:

☐ Multiple Spills and Releases?

|                    |                               |       |  |
|--------------------|-------------------------------|-------|--|
| <b>Fencing/:</b>   |                               |       |  |
| Type               | WELLHEAD                      |       |  |
| Comment:           | Cattle panels                 |       |  |
| Corrective Action: |                               | Date: |  |
| Type               | OTHER                         |       |  |
| Comment:           | 1 meter house - cattle panels |       |  |
| Corrective Action: |                               | Date: |  |
| Type               | SEPARATOR                     |       |  |
| Comment:           | Cattle panels                 |       |  |
| Corrective Action: |                               | Date: |  |

|                                   |   |       |                 |
|-----------------------------------|---|-------|-----------------|
| <b>Equipment:</b>                 |   |       | corrective date |
| Type: Bird Protectors             | # 1   |       |                 |
| Comment:                          |   |       |                 |
| Corrective Action:                |   | Date: |                 |
| Type: Bradenhead                  | # 1   |       |                 |
| Comment:                          | Pressure transducer located on bradenhead, bradenhead valve is accessible |       |                 |
| Corrective Action:                |   | Date: |                 |
| Type: Horizontal Heated Separator | # 1   |       |                 |
| Comment:                          |   |       |                 |
| Corrective Action:                |   | Date: |                 |
| Type: Gas Meter Run               | # 1   |       |                 |
| Comment:                          | Summit Midstream  |       |                 |
| Corrective Action:                |   | Date: |                 |
| Type: Gas Meter Run               | # 1   |       |                 |
| Comment:                          |   |       |                 |
| Corrective Action:                |   | Date: |                 |
| Type: Plunger Lift                | # 1   |       |                 |
| Comment:                          | Well on plunger lift  |       |                 |
| Corrective Action:                |   | Date: |                 |

**Tanks and Berms:**

| Contents           | #                            | Capacity | Type      | Tank ID | SE GPS |  |
|--------------------|------------------------------|----------|-----------|---------|--------|--|
| CONDENSATE         | 1                            | OTHER    | STEEL AST |         | ,      |  |
| Comment:           | Tank equipped with telemetry |          |           |         |        |  |
| Corrective Action: |                              |          |           |         | Date:  |  |

**Paint**

|                  |          |  |
|------------------|----------|--|
| Condition        | Adequate |  |
| Other (Content)  |          |  |
| Other (Capacity) | 210 bbl  |  |
| 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:  |
| <b>Paint</b>       |                         |                     |                     |             |        |
| 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:  |

| Inspected Facilities   |        |       |      |             |           |         |    |               |    |
|--|--------|-------|------|-------------|-----------|---------|----|---------------|----|
| Facility ID:   | 210975 | Type: | WELL | API Number: | 045-06733 | Status: | SI | Insp. Status: | SI |
| Idle Well  |        |       |      |             |           |         |    |               |    |
| Purpose: <input checked="" type="checkbox"/> Shut In <input type="checkbox"/> Temporarily Abandoned      Reminder: _____ |        |       |      |             |           |         |    |               |    |
| Comment: <div>Shut In<br/>Last produced June 2024</div>  |        |       |      |             |           |         |    |               |    |
| 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            |                 |                         |                       |               |                          |  |
| Gravel           |                 |                         |                       |               |                          | Sparse to none                           |
|                  |                 | Culverts                |                       |               |                          |  |
|                  |                 | Compaction              |                       |               |                          | Light compaction in some sections        |
|                  |                 | Gravel                  |                       |               |                          | Sparse to none                           |
|                  |                 |                         |                       |               |                          |  |
|                  |                 | Ditches                 |                       |               |                          |  |
| Other            | Fail            |                         |                       |               |                          | Stockpiled soils with insufficient BMP's |

Comment: [Stockpiled soils on location with insufficient BMP's](#)Corrective Action: [Comply with CECMC Stormwater rules](#)

Date: 05/16/2025

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

| Comment  | User     | Date       |
|--|----------|------------|
| <a href="#">Please refer to Housekeeping &amp; Stormwater for corrective actions &amp; also refer to Signs/Marker for comments</a> | smelserw | 04/30/2025 |

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

| Document Num | Description                                     | URL   |
|--------------|---|---|
| 404186382    | INSPECTION SUBMITTED                            | <a href="https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7030782">https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7030782</a> |
| 708906382    | Inspection/Audit 708906381 Stormwater photo log | <a href="https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7030780">https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7030780</a> |
| 708906383    | Inspection/Audit 708906381 photo log            | <a href="https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7030781">https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7030781</a> |