

**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:

06/04/2025

Submitted Date:

06/04/2025

Document Number:

708906654

FIELD INSPECTION FORM

Loc ID 335618 Inspector Name: Smelser, Wayne On-Site Inspection 2A Doc Num: _____

Status Summary:

- THIS IS A FOLLOW UP INSPECTION
- FOLLOW UP INSPECTION REQUIRED
- NO FOLLOW UP INSPECTION REQUIRED

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

Findings:

- 27 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
Kellerby, Shaun		shaun.kellerby@state.co.us	
QB Energy		ecmc.inspections@qb-energy.com	
Popejoy, Dusty		dusty.popejoy@state.co.us	
Katz, Aaron		aaron.katz@state.co.us	
Haverkamp, Curtis		curtis.haverkamp@state.co.us	
Greager, Meredith		meredith.greager@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
287572	WELL	PR	09/01/2020	GW	045-13001	UNOCAL-ENCANA 23D-4D	PR
288397	WELL	TA	09/01/2024	GW	045-13237	UNOCAL-ENCANA 24B-4D	TA
288398	WELL	PR	09/01/2020	GW	045-13236	UNOCAL-ENCANA 23B-4D	PR
288399	WELL	PR	09/01/2020	GW	045-13235	UNOCAL-ENCANA 24A-4D	PR
288400	WELL	SI	02/01/2025	GW	045-13234	UNOCAL-ENCANA 23A-4D	SI

General Comment:

CECMC Inspection/Audit Report Summary

On 06/04/2025 at approximately 12:10 hours, I, Compliance Specialist, Wayne Smelser
Conducted a follow up inspection/audit at QB ENERGY OPERATING LLC UNOCAL 5 Pad
Location # 335618 in Garfield County Colorado.

Please refer to inspection 708902412 conducted on 12/05/2023 & inspection 708902567 conducted on 12/19/2023, previous corrective
action has not been completed & CA date remains 12/06/2023.

Location is within High Priority/Density/Black Bear Habitat areas & in close proximity to NSO Habitat area.

Location is approximately 410 yards from Parachute Creek.

While there, I observed normal production operations.

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

1. Equipment - Mechanical condition - UNOCAL-ENCANA 24B-4D wellhead leak with a CA date of 12/06/2023
2. Equipment - Ball valve on UNOCAL-ENCANA 24B-4D tubing tree open/wildlife & safety hazard with a CA date of 06/11/2025
3. Inspected Facilities - Multiple wells lack wellbore diagrams with a CA date of 07/04/2025

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:			Date:
Overall Good: <input type="checkbox"/>			
Signs/Marker:			
Type	WELLHEAD		
Comment:			
Corrective Action:			Date:
Type	BATTERY		
Comment:			
Corrective Action:			Date:
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	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:
Emergency Contact Number:			
Comment:	911/970-285-2615		
Corrective Action:			Date: _____
Good Housekeeping:			
Type	OTHER		
Comment:	Staining near wellhead - please refer to photo log		
Corrective Action:			Date:
Overall Good: <input type="checkbox"/>			
Spills:			
Type	Area	Volume	
In Containment: No			
Comment:			
<input type="checkbox"/> Multiple Spills and Releases?			
Fencing/:			
Type	OTHER		
Comment:	Liquid nitrogen tank - pipe rail fence		

Corrective Action:		Date:	
Type	TANK BATTERY		
Comment:	Barbed wire & hog panels		
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:	4 wellheads pipe rail fence UNOCAL-ENCANA 23A-4D wellhead has pipe rail fence & jersey barriers		
Corrective Action:		Date:	
Type	SEPARATOR		
Comment:	Barbed wire & Jersey barriers		
Corrective Action:		Date:	
Equipment:			corrective date
Type: Gas Meter Run	# 5		
Comment:			
Corrective Action:		Date:	
Type: Bradenhead	# 5		
Comment:	No form of pressure monitoring equipment located on bradenheads, bradenhead valves are accessible.		
Corrective Action:		Date:	
Type: Horizontal Heated Separator	# 5		
Comment:			
Corrective Action:		Date:	
Type: Other	# 1		
Comment:	Mechanical condition - UNOCAL-ENCANA 24B-4D wellhead leak Additionally operator is not in compliance with CECMC Rule 417		
Corrective Action:	All Production Facilities, valves, pipes, fittings, and vessels will be securely fastened or sealed, inspected at regular intervals, and maintained in good mechanical condition.	Date:	12/06/2023
Type: Other	# 1		
Comment:	Ball valve on UNOCAL-ENCANA 24B-4D tubing tree open/wildlife & safety hazard		
Corrective Action:	Comply with CECMC 600 series rules	Date:	06/11/2025
Type: Bird Protectors	# 3		
Comment:			
Corrective Action:		Date:	
Type: Plunger Lift	# 5		
Comment:	All wells on plunger lift		
Corrective Action:		Date:	
Type: Ancillary equipment	# 1		
Comment:	Liquid nitrogen tank No FORM 4 SUNDRY for equipment/not in compliance with CECMC rules		
Corrective Action:		Date:	

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
CONDENSATE	1	400 BBLs	STEEL AST		

Comment: Tank equipped with telemetry
 Production tank dented/damaged - please refer to photo log

Corrective Action:	Date:
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Paint

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

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal	Adequate	Walls Sufficient		

Comment:

Corrective Action:	Date:
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Venting:

Yes/No	NO
Comment:	
Corrective Action:	Date:

Flaring:

Type	
Comment:	
Corrective Action:	Date:

Inspected Facilities

Facility ID: 287572 Type: WELL API Number: 045-13001 Status: PR Insp. Status: PR

Producing Well

Comment:	Producing, well on plunger lift Well lacks wellbore diagram/not in compliance with CECMC rules Additionally the UNOCAL-ENCANA 23B-4D, UNOCAL-ENCANA 24A-4D & UNOCAL-ENCANA 23A-4D wells also lack wellbore diagrams/not in compliance with CECMC rules	
Corrective Action:	Comply with rule 420 & submit wellbore diagrams via FORM 4 SUNDRY or FORM 17	Date: <u>07/04/2025</u>

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

Facility ID: 288397 Type: WELL API Number: 045-13237 Status: TA Insp. Status: TA

Idle Well

Purpose: <input checked="" type="checkbox"/> Shut In <input type="checkbox"/> Temporarily Abandoned Reminder: _____		
Comment:	Shut In Last produced August 2024	
Corrective Action:		Date:

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

Facility ID: 288398 Type: WELL API Number: 045-13236 Status: PR Insp. Status: PR

Producing Well

Comment:	Producing, well on plunger lift Well lacks wellbore diagram/not in compliance with CECMC rules	
Corrective Action:		Date:

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

Facility ID: 288399 Type: WELL API Number: 045-13235 Status: PR Insp. Status: PR

Producing Well

Comment:	Producing, well on plunger lift Well lacks wellbore diagram/not in compliance with CECMC rules	
Corrective Action:		Date:

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

Facility ID: 288400 Type: WELL API Number: 045-13234 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 September 2024 Well lacks wellbore diagram/not in compliance with CECMC rules	
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
Sediment Traps						
		Culverts				
Rip Rap						
Ditches						
		Tracking Pad				Aggregate/gravel based VTC
		Sediment Traps				
		Gravel				Sparse to none in areas
Retention Ponds						
Slope Roughening						
Compaction						Small amount of light compaction
Berms						
		Check Dams				
Other						Straw mulch
Gravel						Sparse to none in most areas
		Ditches				
		Compaction				

Comment: [Aggregate/gravel based VTC at start of lease road](#)
 Dimensions & details are as follows - approximately 78 ft long, 60 ft wide & varying depths from 1-3 inches, depth insufficient, area does not appear to have been excavated & no class 2 geotextile fabric observed.

Corrective Action:

Date: _____

Pits: NO SURFACE INDICATION OF PIT

ECMC Comments

Comment	User	Date
Please refer to Equipment & Inspected Facilities for corrective actions & also refer to Signs/Marker, Housekeeping, Tanks & Berms & Stormwater for comments.	smelserw	06/04/2025

Attached Documents

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

Document Num	Description	URL
708906657	Inspection/Audit 708906654 leak video 1	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7082587
708906658	Inspection/Audit 708906654 leak video 2	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7082588
708906659	Inspection/Audit 708906654 Stormwater photo log	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7082589
708906660	Inspection/Audit 708906654 photo log	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7082590

