

**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:

06/05/2025

Document Number:

708906664

FIELD INSPECTION FORM

Loc ID 335560	Inspector Name: Smelser, Wayne	On-Site Inspection <input type="checkbox"/>	2A Doc Num: _____	Status Summary: <input type="checkbox"/> THIS IS A FOLLOW UP INSPECTION <input checked="" type="checkbox"/> FOLLOW UP INSPECTION REQUIRED <input type="checkbox"/> 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: 42 Number of Comments 4 Number of Corrective Actions <input checked="" type="checkbox"/> 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
Popejoy, Dusty		dusty.popejoy@state.co.us	
Haverkamp, Curtis		curtis.haverkamp@state.co.us	
Katz, Aaron		aaron.katz@state.co.us	
QB Energy		ecmc.inspections@qb-energy.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
284554	WELL	PR	05/02/2006	GW	045-12211	N.PARACHUTE MF02C D09A 696	PR
284555	WELL	PR	09/01/2007	GW	045-12210	N.PARACHUTE MF02A D09A 696	PR
284556	WELL	PR	03/28/2007	GW	045-12209	N. PARACHUTE MF20C D09A696	PR
284557	WELL	SI	05/01/2024	GW	045-12208	N.PARCHUTE MF07C D09A 696	SI
284558	WELL	SI	07/01/2024	GW	045-12207	N.PARACHUTE MF07A D09A 696	SI
284559	WELL	PR	05/02/2006	GW	045-12206	N.PARACHUTE MF06C D09A 696	PR
284560	WELL	PR	08/01/2017	GW	045-12205	N.PARACHUTE MF 05B D09A 696	PR
289509	WELL	PR	02/28/2007	GW	045-13793	N. PARACHUTE MF20A D09A 696	PR
297094	WELL	PR	06/01/2009	GW	045-16299	N. PARACHUTE MF02B-9 D09A 69	PR
297095	WELL	PR	06/01/2018	GW	045-16300	N. PARACHUTE MF03C-9 D09A 69	PR
297096	WELL	PR	04/01/2022	GW	045-16301	N. PARACHUTE MF03A-9 D09A 69	PR
297097	WELL	PR	05/09/2009	GW	045-16302	N. PARACHUTE MF03D-9 D09A 69	PR

297100	WELL	SI	04/01/2024	GW	045-16305	N. PARACHUTE MF04A-9 D09A 69	SI
297101	WELL	PR	06/01/2009	GW	045-16306	N. PARACHUTE MF04C-9 D09A 69	PR
299810	WELL	PR	07/03/2009	GW	045-17757	N. PARACHUTE MF06B-9 D09A 69	PR
299811	WELL	PR	06/29/2009	GW	045-17758	N. PARACHUTE MF06C-9 D09A 69	PR
299812	WELL	PR	03/01/2025	GW	045-17759	N. PARACHUTE MF05D-9 D09A 69	PR
299813	WELL	SI	05/01/2024	GW	045-17760	N. PARACHUTE MF05B-9 D09A 69	SI

General Comment:

CECMC Inspection/Audit Report Summary

On 06/04/2025 at approximately 15:08 hours, I, Compliance Specialist, Wayne Smelser

Conducted an on-site inspection/audit at QB ENERGY OPERATING LLC N.PARACHUTE D09A 696 Pad

Location # 335560 in Garfield County Colorado.

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

Location is approximately 60 yards from Parachute Creek.

While there, I observed normal production operations.

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

1. Equipment - Kelly hose open ended/wildlife hazard/available for entry by wildlife with a CA date of 06/12/2025
2. Tanks & Berms - Tank failure - Multiple holes & crack in tank/tank lacks integrity with a CA date of 07/05/2025
3. Inspected Facilities - Multiple wells lack wellbore diagrams with a CA date of 07/05/2025
4. Stormwater - Failure to maintain chemical BMP with a CA date of 06/08/2025

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.

Location**Lease Road:**

Type	Access		
comment:			
Corrective Action	L	Date:	

Overall Good: ☐**Signs/Marker:**

Type	CONTAINERS		
Comment:	Chemical tanks		
Corrective Action:		Date:	
Type	OTHER		
Comment:	Location sign at intersection of Parachute Creek Road & start of lease road laying on the ground - please refer to photo log		
Corrective Action:		Date:	
Type	TANK LABELS/PLACARDS		
Comment:			
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:			
Corrective Action:		Date:	
Type	BATTERY		
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:	

Emergency Contact Number:

Comment: 911/970-285-2615

Corrective Action:

Date: _____

Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

Comment:

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

Type	WELLHEAD		
Comment:	Jersey barriers		
Corrective Action:		Date:	

Type	OTHER		
Comment:	Chemical tanks - Jersey barriers		
Corrective Action:		Date:	
Type	OTHER		
Comment:	Sales & gas lift meter houses - jersey barriers		
Corrective Action:		Date:	

Equipment:

			corrective date
Type: Ancillary equipment	# 1		
Comment:	Thermogen		
Corrective Action:		Date:	
Type: Gas Meter Run	# 18		
Comment:	Sales		
Corrective Action:		Date:	
Type: Bradenhead	# 18		
Comment:	MF03D-9 well has no form of pressure monitoring equipment located on bradenhead, bradenhead valve is accessible. Remaining 17 wells are equipped with Taylor plugs on bradenhead, braidenhead valves are accessible.		
Corrective Action:		Date:	
Type: Horizontal Separator	# 1		
Comment:	Trailer mounted test separator		
Corrective Action:		Date:	
Type: Other	# 1		
Comment:	Kelly hose open ended/wildlife hazard/available for entry by wildlife		
Corrective Action:	Comply with CECMC wildlife rules	Date:	06/12/2025
Type: Ancillary equipment	# 3		
Comment:	Chemical tanks		
Corrective Action:		Date:	
Type: Gas Meter Run	# 18		
Comment:	Gas lift		
Corrective Action:		Date:	
Type: Plunger Lift	# 18		
Comment:	All wells on plunger lift		
Corrective Action:		Date:	

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS	
PRODUCED WATER	1	<100 BBLS	STEEL AST		,	
Comment:	Tank failure - Multiple holes & crack in tank/tank lacks integrity Additionally holes in tank also constitute a wildlife hazard Tank is also not in compliance with CECMC Rule 425					
Corrective Action:	Comply with 600 series rules					Date: 07/05/2025

Paint

Condition	Inadequate	
Other (Content)		
Other (Capacity)	80 bbl	
Other (Type)		

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal	Adequate	Walls Sufficent		
Comment:				
Corrective Action:				Date:

Venting:

Yes/No	NO		
Comment:			
Corrective Action:			Date:

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Inspected Facilities			
Facility ID: 284554	Type: WELL	API Number: 045-12211	Status: PR Insp. Status: PR
Producing Well			
Comment:	Producing, well on plunger lift & gas lift Well lacks wellbore diagram/not in compliance with CECMC Rule 420 Additionally the N.PARACHUTE MF02A, N. PARACHUTE MF20C, N.PARCHUTE MF07C, N.PARACHUTE MF07A, N.PARACHUTE MF06C, N.PARACHUTE MF 05B, N. PARACHUTE MF20A, N. PARACHUTE MF02B-9, N. PARACHUTE MF03C-9, N. PARACHUTE MF03A-9, N. PARACHUTE MF03D-9, N. PARACHUTE MF04A-9, N. PARACHUTE MF06B-9, N. PARACHUTE MF05D-9 & N. PARACHUTE MF05B-9 wells also lack wellbore diagrams/not in compliance with CECMC Rule 420.		
Corrective Action:	Comply with CECMC Rule 420 & submit wellbore diagrams via FORM 4 SUNDRY or FORM 17		Date: 07/05/2025
The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12			
Facility ID: 284555	Type: WELL	API Number: 045-12210	Status: PR Insp. Status: PR
Producing Well			
Comment:	Producing, well on plunger lift & gas lift Well lacks wellbore diagram/not in compliance with CECMC Rule 420		
Corrective Action:			Date:
The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12			
Facility ID: 284556	Type: WELL	API Number: 045-12209	Status: PR Insp. Status: PR
Producing Well			
Comment:	Producing, well on plunger lift & gas lift Well lacks wellbore diagram/not in compliance with CECMC Rule 420		
Corrective Action:			Date:
The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12			
Facility ID: 284557	Type: WELL	API Number: 045-12208	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 April 2024 Well lacks wellbore diagram/not in compliance with CECMC Rule 420		
Corrective Action:			Date:
The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12			
Facility ID: 284558	Type: WELL	API Number: 045-12207	Status: SI Insp. Status: SI
Producing Well			
Comment:	Producing, well on plunger lift & gas lift Well lacks wellbore diagram/not in compliance with CECMC Rule 420		
Corrective Action:			Date:
The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12			
Facility ID: 284559	Type: WELL	API Number: 045-12206	Status: PR Insp. Status: PR

Producing Well

Comment: Producing, well on plunger lift & gas lift

Well lacks wellbore diagram/not in compliance with CECMC Rule 420

Corrective Action:

Date:

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

Facility ID: 284560 Type: WELL API Number: 045-12205 Status: PR Insp. Status: PR

Producing Well

Comment: Producing, well on plunger lift & gas lift

Well lacks wellbore diagram/not in compliance with CECMC Rule 420

Corrective Action:

Date:

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

Facility ID: 289509 Type: WELL API Number: 045-13793 Status: PR Insp. Status: PR

Producing Well

Comment: Producing, well on plunger lift & gas lift

Well lacks wellbore diagram/not in compliance with CECMC Rule 420

Corrective Action:

Date:

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

Facility ID: 297094 Type: WELL API Number: 045-16299 Status: PR Insp. Status: PR

Producing Well

Comment: Producing, well on plunger lift & gas lift

Well lacks wellbore diagram/not in compliance with CECMC Rule 420

Corrective Action:

Date:

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

Facility ID: 297095 Type: WELL API Number: 045-16300 Status: PR Insp. Status: PR

Producing Well

Comment: Producing, well on plunger lift & gas lift

Well lacks wellbore diagram/not in compliance with CECMC Rule 420

Corrective Action:

Date:

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

Facility ID: 297096 Type: WELL API Number: 045-16301 Status: PR Insp. Status: PR

Producing Well

Comment: Producing, well on plunger lift & gas lift

Well lacks wellbore diagram/not in compliance with CECMC Rule 420

Corrective Action:

Date:

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

Facility ID: 297097 Type: WELL API Number: 045-16302 Status: PR Insp. Status: PR

Producing Well

Comment: Producing, well on plunger lift & gas lift

Well lacks wellbore diagram/not in compliance with CECMC Rule 420

Corrective Action:

Date:

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

Facility ID: 297100 Type: WELL API Number: 045-16305 Status: SI Insp. Status: SI

Producing Well

Comment: Producing, well on plunger lift & gas lift

Well lacks wellbore diagram/not in compliance with CECMC Rule 420

Corrective Action:

Date:

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

Facility ID: 297101 Type: WELL API Number: 045-16306 Status: PR Insp. Status: PR

Producing Well

Comment: Producing, well on plunger lift & gas lift

Corrective Action:

Date:

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

Facility ID: 299810 Type: WELL API Number: 045-17757 Status: PR Insp. Status: PR

Producing Well

Comment: Producing, well on plunger lift & gas lift

Well lacks wellbore diagram/not in compliance with CECMC Rule 420

Corrective Action:

Date:

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

Facility ID: 299811 Type: WELL API Number: 045-17758 Status: PR Insp. Status: PR

Producing Well

Comment: Producing, well on plunger lift & gas lift

Corrective Action:

Date:

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

Facility ID: 299812 Type: WELL API Number: 045-17759 Status: PR Insp. Status: PR

Producing Well

Comment: Producing, well on plunger lift & gas lift

Well lacks wellbore diagram/not in compliance with CECMC Rule 420

Corrective Action:

Date:

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

Facility ID: 299813 Type: WELL API Number: 045-17760 Status: SI Insp. Status: SI

Idle Well	
Purpose: <input checked="" type="checkbox"/> Shut In	<input type="checkbox"/> Temporarily Abandoned
Reminder: _____	
Comment:	<div>Shut In</div> <div>Last produced April 2024</div> <div>Well lacks wellbore diagram/not in compliance with CECMC Rule 420</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
Other						Hay bales
		Compaction				
		Paving				
				Material Handling And Spill Prevention	Fail	Failure to maintain chemical BMP
		Ditches				
Ditches						
Gravel						Sparse to none in areas
		Gravel				Sparse
Compaction						
		Drains				
Other						Small portable containment for test separator
Berms						
		Culverts				

Comment: 1. Failure to maintain chemical BMP - Chemical tank containment approximately 3/4 full of fluid/BMP insufficient to contain possible spill

Corrective Action: Comply with CECMC Stormwater rules

Date: 06/08/2025

Pits: ☒ NO SURFACE INDICATION OF PIT

ECMC Comments

Comment	User	Date
Please refer to Equipment, Tanks & Berms, Inspected Facilities & Stormwater for corrective actions & also refer to Signs/Marker for comments.	smelserw	06/05/2025

Attached Documents

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

Document Num	Description	URL
404231034	INSPECTION SUBMITTED	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7083910
708906665	Inspection/Audit 708906664 Stormwater photo log	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7083866
708906666	Inspection/Audit 708906664 photo log	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7083867