

**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:

07/01/2025

Submitted Date:

07/06/2025

Document Number:

708906790

**FIELD INSPECTION FORM**Loc ID 335359 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:**

27 Number of Comments

1 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	

**Inspected Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
257648	WELL	PR	03/01/2025	GW	045-07583	KELL 35-3	PR
257660	WELL	PR	03/01/2025	GW	045-07585	BENZEL 35-7 (C35)	PR
257665	WELL	PR	03/01/2025	GW	045-07589	KELL 35-6 (C35)	PR
273777	WELL	PR	10/01/2024	GW	045-10283	CRAIG 35-6A (C35)	PR
273779	WELL	PR	10/01/2024	GW	045-10284	CRAIG 35-5A (C35)	PR
274937	WELL	PR	10/01/2024	GW	045-13440	GMU 35-4A1(C35)	PR

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

On 07/01/2025 at approximately 12:06 hours, I, Compliance Specialist, Wayne Smelser

Conducted a follow up inspection/audit at QB ENERGY OPERATING LLC KELL 35-3 (C35) Pad

Location # 335359 in Garfield County Colorado.

Please refer to inspection/audit 708906719 conducted on 06/11/2025, 1 of 2 previous corrective actions has been completed.

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

Location is within Rule 411a Surface Water External Buffer.

Location is approximately 188 yards from Dry Creek.

While there, I observed normal production operations.

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

1. Inspected Facilities - Multiple wells lack wellbore diagrams/not in compliance with CECMC rules with a CA date of 07/11/2025

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:		Date:	

Overall Good: ☐

<b>Signs/Marker:</b>			
Type	OTHER		
Comment:	Sign at entrance to location		
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:	
Type	WELLHEAD		
Comment:			
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:	Signs at separators		
Corrective Action:		Date:	

Emergency Contact Number:

Comment: 911/970-285-2615

Corrective Action:

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

Overall Good: ☐

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

In Containment: No

Comment:

☐ Multiple Spills and Releases?

<b>Fencing/:</b>			
Type	LOCATION		
Comment:	Barbed wire fence		
Corrective Action:		Date:	

<b>Equipment:</b>			corrective date
Type: Vertical Heated Separator	# 3		
Comment:			
Corrective Action:		Date:	
Type: Bird Protectors	# 4		
Comment:			
Corrective Action:		Date:	
Type: Gas Meter Run	# 1		
Comment:	Summit Midstream		
Corrective Action:		Date:	
Type: Gas Meter Run	# 6		
Comment:			
Corrective Action:		Date:	
Type: Bradenhead	# 6		
Comment:	Pressure transducers located on bradenheads, bradenhead valves are accessible		
Corrective Action:		Date:	
Type: Plunger Lift	# 3		
Comment:	CRAIG 35-6A, CRAIG 35-5A & GMU 35-4A1 wells on plunger lift KELL 35-3, BENZEL 35-7 & KELL 35-6 wells are not on plunger lift		
Corrective Action:		Date:	
Type: Horizontal Heated Separator	# 3		
Comment:			
Corrective Action:		Date:	

**Tanks and Berms:**

Contents	#	Capacity	Type	Tank ID	SE GPS	
CONDENSATE	1	500 BBLS	STEEL AST		,	
Comment:	Tank equipped with telemetry					
Corrective Action:						Date:

**Paint**

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

**Berms**

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

Comment:		Centralized containment					
Corrective Action:						Date:	
Contents	#	Capacity	Type	Tank ID	SE GPS		
CONDENSATE	1	300 BBLS	STEEL AST		,		
Comment:		Tank equipped with telemetry					
Corrective Action:						Date:	
<u>Paint</u>							
Condition	Adequate						
Other (Content)							
Other (Capacity)							
Other (Type)							
<u>Berms</u>							
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:	
<u>Paint</u>							
Condition	Adequate						
Other (Content)							
Other (Capacity)							
Other (Type)							
<u>Berms</u>							
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance			
Metal	Adequate	Walls Sufficent					
Comment:		Centralized containment					
Corrective Action:						Date:	
<u>Venting:</u>							
Yes/No	NO						
Comment:							
Corrective Action:						Date:	
<u>Flaring:</u>							
Type							
Comment:							
Corrective Action:						Date:	

Inspected Facilities			
Facility ID: 257648	Type: WELL	API Number: 045-07583	Status: PR      Insp. Status: PR
<b>Producing Well</b>			
Comment:	Producing, well not on plunger lift  Well lacks wellbore diagram/not in compliance with CECMC Rule 420  Additionally the BENZEL 35-7 (C35) & KELL 35-6 (C35) 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: 07/11/2025
The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12			
Facility ID: 257660	Type: WELL	API Number: 045-07585	Status: PR      Insp. Status: PR
<b>Producing Well</b>			
Comment:	Producing, well not on plunger 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: 257665	Type: WELL	API Number: 045-07589	Status: PR      Insp. Status: PR
<b>BradenHead</b>			
Date of Last Brhd Test: 05/20/2025      Annual Brhd Completed? _____  Last Brhd Test Results    Initial Surf Csg Pressure: 141      Fluid Type: _____  End Surf Csg Pressure: 0			
Comment:	BH line tied into separator at the A valve bypass - please refer to FORM 4 SUNDRY document #'s 403652602 & 403987216		
Corrective Action:			Date:
The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12			
Facility ID: 273777	Type: WELL	API Number: 045-10283	Status: PR      Insp. Status: PR
<b>Producing Well</b>			
Comment:	Producing, well not on plunger 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: 273779	Type: WELL	API Number: 045-10284	Status: PR      Insp. Status: PR
<b>Producing Well</b>			
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: 274937	Type: WELL	API Number: 045-13440	Status: PR      Insp. Status: PR
<b>Producing Well</b>			
Comment:	Producing, well on plunger lift		
Corrective Action:			Date:
The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12			

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
		Rip Rap				
		Culverts				
		Gravel				Sparse to none
Other						Straw mulch on cut slope
Berms						
		Compaction				
Compaction						Small amount of light compaction
Retention Ponds						
		Ditches				
Gravel						Sparse to none in areas
Ditches						
Hydro Mulch						

Comment: Corrective Action: Date: **Pits:** ☐ NO SURFACE INDICATION OF PIT**ECMC Comments**

Comment	User	Date
<a href="#">Please refer to Inspected Facilities for corrective action.</a>	smelserw	07/06/2025

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

Document Num	Description	URL
708906791	Inspection/Audit 708906790 Stormwater photo log	<a href="https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7129365">https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7129365</a>
708906792	Inspection/Audit 708906790 photo log	<a href="https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7129366">https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7129366</a>