

**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:

07/01/2025

Document Number:

708906762**FIELD INSPECTION FORM**Loc ID 334942 Inspector Name: Smelser, Wayne On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**ECMC Operator Number: 10844Name of Operator: QB ENERGY OPERATING LLCAddress: 1001 17TH STREET SUITE 1600City: DENVER State: CO Zip: 80202**Status Summary:**

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

Findings:25 Number of Comments1 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
273868	WELL	PR	04/01/2022	GW	045-10295	CRAIG (K35NW) 35-12C	PR
273869	WELL	PR	04/01/2022	GW	045-10294	CRAIG (K35NW) 35-11C	PR
273870	WELL	PR	04/01/2022	GW	045-10293	CRAIG 35-12B(K35NW)	PR
273871	WELL	PR	04/01/2022	GW	045-10292	CRAIG (K35NW) 35-7A	PR
273951	WELL	PR	04/01/2022	GW	045-10306	CRAIG 35-11B (K35NW)	PR
273953	WELL	PR	04/01/2022	GW	045-10307	CRAIG (K35NW) 35-15C	PR

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

On 07/01/2025 at approximately 11:37 hours, I, Compliance Specialist, Wayne Smelser

Conducted a follow up inspection/audit at QB ENERGY OPERATING LLC CRAIG (K35NW) 35-12C pad

Location # 334942 in Garfield County Colorado.

Please refer to inspection/audit 708906372 conducted on 04/28/2025, previous corective action has been completed.

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

Location is approximately 600 yards from Rule 411a Surface Water External Buffer.

While there, I observed normal production operations.

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

1. Tanks & Berms - Possible tank failure with a CA date of 7/31/2025

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	TANK LABELS/PLACARDS		
Comment:			
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:			
Corrective Action:		Date:	
Type	BATTERY		
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:	
Type	OTHER		
Comment:	Sign at entrance to location		
Corrective Action:		Date:	

Emergency Contact Number:

Comment:	911/970-285-2615		
Corrective Action:		Date:	

Overall Good: ☐**Spills:**

Type	Area	Volume		
In Containment:	No			
Comment:				
<input type="checkbox"/> Multiple Spills and Releases?				

Fencing/:

Type	OTHER		
Comment:	Pig station - pipe rail fence		
Corrective Action:		Date:	

Equipment:				corrective date
Type: Plunger Lift	# 6			
Comment:	All wells on plunger lift			
Corrective Action:				Date:
Type: Horizontal Heated Separator	# 1			
Comment:				
Corrective Action:				Date:
Type: Bird Protectors	# 2			
Comment:				
Corrective Action:				Date:
Type: Pig Station	# 1			
Comment:				
Corrective Action:				Date:
Type: Bradenhead	# 6			
Comment:	Pressure transducers located on bradenheads, bradenhead valves are accessible			
Corrective Action:				Date:
Type: Gas Meter Run	# 6			
Comment:				
Corrective Action:				Date:
Type: Vertical Heated Separator	# 5			
Comment:				
Corrective Action:				Date:
Type: Gas Meter Run	# 1			
Comment:	Summit Midstream			
Corrective Action:				Date:

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
CONDENSATE	1	500 BBLs	STEEL AST		,
Comment:	Possible tank failure/tank appears to lack integrity Tank equipped with telemetry				
Corrective Action:	Comply with CECMC 600 series rules				Date: 07/31/2025

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	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	
METHANOL	1	1000 GAL	STEEL AST		,	
Comment:						
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:

Venting:

Yes/No	NO		
Comment:			
Corrective Action:			Date:

Flaring:

Type			
Comment:			
Corrective Action:			Date:

Inspected Facilities				
Facility ID: 273868	Type: WELL	API Number: 045-10295	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: 273869	Type: WELL	API Number: 045-10294	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: 273870	Type: WELL	API Number: 045-10293	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: 273871	Type: WELL	API Number: 045-10292	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: 273951	Type: WELL	API Number: 045-10306	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: 273953	Type: WELL	API Number: 045-10307	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
Berms						
		Ditches				
Ditches						
		Culverts				
		Compaction				Light compaction in some areas
Rip Rap						
		Gravel				Sparse to none
Sediment Traps						
Gravel						Sparse to none in areas
Compaction						Light compaction in some areas

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

Comment	User	Date
Please refer to Tanks & Berms for corrective action	smelserw	07/01/2025

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

Document Num	Description	URL
404264456	INSPECTION SUBMITTED	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7124442
708906763	Inspection/Audit 708906762 Stormwater photo log	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7124440
708906764	Inspection/Audit 708906762 photo log	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7124441