

**FORM
INSP**

Rev
X/20

**State of Colorado
Energy and Carbon Management Commission**

1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109



Inspection Date:

11/07/2025

Submitted Date:

11/14/2025

Document Number:

718100978

FIELD INSPECTION FORM

Loc ID 335668 Inspector Name: Trujillo, Aaron 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:

- 10 Number of Comments
- 7 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 |
|--------------|-------|--------------------------------|---------|
| | | ecmc.inspections@qb-energy.com | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|----------|--------|-------------|------------|---------|------------------------------|-------------|
| 335668 | LOCATION | AC | | | - | N.PARACHUTE-65S96W 26NESW | RI |

General Comment:

On 11/7/2025, Western Reclamation Work Lead Trujillo conducted an interim reclamation and stormwater inspection at QB Energy Operating LLC's N.PARACHUTE-65S96W/26NESW location in Garfield County, Colorado.

Location is within the following High Priority Habitats: Aquatic Sportfish Management Waters; Mule Deer Winter Concentration Area.

Location also within black bear habitat and in close proximity to a Greater Sage Grouse Lek Site.

The following compliance issues were observed during this inspection:

- Reclamation/Stormwater
- Mechanical integrity
- Spills
- Uncapped lines
- Liner integrity
- Signage

Refer to the Location, Reclamation and Stormwater sections of this inspection report for additional details.

Refer to the photo-documentation attached to this report.

Any corrective action(s) from previous inspection that have not been addressed are still applicable.

Location

Overall Good:

| Signs/Marker: | | | |
|----------------------|--|-------|------------|
| Type | TANK LABELS/PLACARDS | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | CONTAINERS | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | BATTERY | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | WELLHEAD | | |
| Comment: | Pursuant to Rule 605.d, a permanent sign will be conspicuously located at the wellhead. It was observed in this inspection that Operator has placed a single sign at the end of the wells; signage has not been posted at the wellheads. | | |
| Corrective Action: | Comply with Rule 605.d | Date: | 12/14/2025 |

| | | | |
|----------------------------------|-------------------------------|-------|--|
| Emergency Contact Number: | | | |
| Comment: | 970-285-2615 / 970-301-1319 / | | |
| Corrective Action: | | Date: | |

| Good Housekeeping: | | | |
|---------------------------|---|-------|------------|
| Type | | | |
| Comment: | Hose connected to equipment on the east end of the Location observed to be open ended. | | |
| Corrective Action: | Cover/Cap hose to prevent wildlife access pursuant to Rule 902.b, as well as to prevent spills. | Date: | 11/21/2025 |

Overall Good:

| Spills: | | | |
|--------------------|---|--------|------------------|
| Type | Area | Volume | |
| Comment: | Corrosion evident at the base of the secondary containment BMP of the pipeline equipment on the northeast end of the Location. ECMC staff have concerns regarding the integrity and imperviousness of the containment measure. | | |
| Corrective Action: | Conduct an evaluation of the BMP. Install or repair BMP as necessary to ensure any spill or released materials will be maintained with containment structure. | | Date: 12/14/2025 |
| Comment: | Fluids observed spilled within the secondary containment BMP at the methanol tank on the east end of the Location. | | |
| Corrective Action: | Remove and properly dispose fluids within containment. | | Date: 12/04/2025 |
| Comment: | Trailer equipment next to separators/gas lifts on the east end of the Location appears to be leaking, resulting in spills on the working pad surface. | | |
| Corrective Action: | Securely fasten all valves, pipes, fittings, and Production Facilities to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 608.e, and clean up per Rule 912.a. | | Date: 12/14/2025 |

In Containment: No

Comment:

Multiple Spills and Releases?

Tanks and Berms:

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|---|----------|-----------|---------|--------|
| PRODUCED WATER | 1 | OTHER | STEEL AST | | , |
| Comment: | | | | | |
| Corrective Action: | | | | | Date: |

Paint

| | |
|------------------|----------------------|
| Condition | <input type="text"/> |
| Other (Content) | <input type="text"/> |
| Other (Capacity) | 120 BBL |
| Other (Type) | <input type="text"/> |

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|--|----------|---------------------|---------------------|-------------------------|
| Metal | | | | Inadequate |
| Comment: Tear/hole observed within liner of the secondary containment measure BMP (northwest corner). | | | | |
| Corrective Action: Comply with Rule 603.o. Install or repair liner material to ensure spill or released materials will be maintained with containment structure. | | | | Date: <u>12/14/2025</u> |

Venting:

| | | | |
|--------------------|----------------------|--|-------|
| Yes/No | <input type="text"/> | | |
| Comment: | | | |
| Corrective Action: | | | Date: |

Flaring:

| | | | |
|--------------------|----------------------|--|-------|
| Type | <input type="text"/> | | |
| Comment: | | | |
| Corrective Action: | | | Date: |

Inspected Facilities

Facility ID: 335668 Type: LOCATION API Number: - Status: AC Insp. Status: RI

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

Reclamation - Storm Water - Pit

Interim Reclamation:

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: _____

Comment: _____

1002 SITE PREPARATION AND STABILIZATION

1002a. FENCING _____

Comment _____

Corrective Action _____

Date _____

1002b. SOIL REMOVAL AND _____

Comment _____

Corrective Action _____

Date _____

1002c. PROTECTION OF SOILS _____

Comment _____

Corrective Action _____

Date _____

1002E. SURFACE DISTURBANCE MINIMIZATION _____

Comment _____

Corrective Action _____

Date _____

1003a. Waste and Debris removed? _____

Comment _____

Corrective Action _____

Date _____

Unused or unneeded equipment onsite? _____

Comment _____

Corrective Action _____

Date _____

Pit, cellars, rat holes and other bores closed? _____

Comment _____

Corrective Action _____

Date _____

Guy line anchors marked? _____

Comment _____

Corrective Action _____

Date _____

1003b. Area no longer in use? _____ Production areas stabilized ? _____
 1003c. Compacted areas have been cross ripped? _____
 1003d. Drilling pit closed? _____ Subsidence over on drill pit? _____
 Cuttings management: _____
 1003e. Areas no longer needed for drilling or subsequent operations for have been re-vegetated to 80% of pre-existing? _____
 Production areas have been stabilized? _____ Segregated soils have been replaced? _____

RESTORATION AND REVEGETATION

Cropland

Top soil replaced _____ Recontoured _____ Perennial forage re-established _____

Non-Cropland

Top soil replaced _____ Recontoured _____ 80% Revegetation _____

1003e. INTERIM VEGETATION TRANSECT
 TRANSECT RESULTS OF DISTURBED AREA% _____
 TRANSECT RESULTS OF REFERENCE AREA% _____
 TOTAL % OF DESIRABLE VEGETATION COVER _____
 VEGETATIVE COVER _____

1003 f. Weeds Noxious weeds? _____

Comment There are interim areas within the west end of the Location that are not progressing towards 1003.e standards; slopes remain predominantly bare and exposed soils, and lack stabilization; cuts remain evident and soils do not appear to have been replaced to their original relative grade. Areas appear to be the former K26 pit site.

Corrective Action Conduct reclamation in accordance with ECOMC 1003 series rules and establish vegetation with total perennial, non-invasive uniform plant cover of at least eighty (80) percent of predisturbance or reference area levels. Use a seed mixture requested by the surface owner, or a mixture prescribed by the local soil conservation district. Comply with Rule 1002.f and implement control measures to stabilize the seeded soils, as well as to manage runoff/runoff, and continue to monitor and manage this site until Final Reclamation has passed.

Date _____

Overall Interim Reclamation Fail

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____ Date Final Reclamation Completed: _____

Final Land Use: _____

Reminder: _____

Comment:

Well plugged _____ Pit mouse/rat holes, cellars backfilled _____

Debris removed _____ No disturbance /Location never built _____

Access Roads Regraded _____ Contoured _____ Culverts removed _____

Gravel removed _____

Location and associated production facilities reclaimed _____ Locations, facilities, roads, recontoured _____

Compaction alleviation _____ Dust and erosion control _____

Non cropland: Revegetated 80% _____ Cropland: perennial forage _____

Weeds present _____ Subsidence _____

1004.d. FINAL VEGETATION TRANSECT
 TRANSECT RESULTS OF DISTURBED AREA% _____
 TRANSECT RESULTS OF REFERENCE AREA% _____
 TOTAL % OF DESIRABLE VEGETATION COVER _____

VEGETATIVE COVER _____

Comment:

Corrective Action:

Date _____

Overall Final Reclamation

Well Release on Active Location

Multi-Well Location

Storm Water:

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| | | | | | | |

Comment:

Corrective Action:

Date: _____

Pits: NO SURFACE INDICATION OF PIT

Attached Documents

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

| Document Num | Description | URL |
|--------------|----------------------|---|
| 404437446 | INSPECTION SUBMITTED | https://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=7332834 |
| 718100979 | Inspection Photos | https://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=7332813 |