

FORM
INSPRev
X/20

State of Colorado Energy and Carbon Management Commission

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Phone: (303) 894-2100 Fax: (303) 894-2109



Inspection Date:

03/06/2026

Submitted Date:

03/07/2026

Document Number:

708908644

FIELD INSPECTION FORM

Loc ID 335766 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:

- 23 Number of Comments
2 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
Haverkamp, Curtis		curtis.haverkamp@state.co.us	
QB ENERGY		ecmc.inspections@qb-energy.com	
Katz, Aaron		aaron.katz@state.co.us	
Heil, John		john.heil@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
259576	WELL	PR	03/01/2019	GW	045-07754	CHEVRON 43-5D	PR
259577	WELL	PR	03/01/2019	GW	045-07755	CHEVRON 44-5D	PR

General Comment:

This is a Field Inspection/Audit of the scout card, related documents and the location.

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:	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:	_____
Overall Good: <input type="checkbox"/>			
Spills:			
Type	Area	Volume	
In Containment: No _____			
Comment:	_____		
<input type="checkbox"/> Multiple Spills and Releases?			
Fencing/:			
Type	SEPARATOR		
Comment:	Barbed wire fence		
Corrective Action:		Date:	
Type	TANK BATTERY		
Comment:	Barbed wire fence		
Corrective Action:		Date:	
Type	OTHER		
Comment:	Liquid nitrogen tank - pipe rail fence		
Corrective Action:		Date:	

Type	WELLHEAD		
Comment:	Pipe rail fence		
Corrective Action:		Date:	

Equipment:			corrective date
Type: Bird Protectors	# 4		
Comment:			
Corrective Action:		Date:	
Type: Horizontal Heated Separator	# 6		
Comment:	External corrosion visible on separator & staining near separator - please refer to photo log		
Corrective Action:		Date:	
Type: Gas Meter Run	# 6		
Comment:			
Corrective Action:		Date:	
Type: Ancillary equipment	# 1		
Comment:	Liquid nitrogen tank		
Corrective Action:		Date:	
Type: Plunger Lift	# 2		
Comment:	All wells on plunger lift		
Corrective Action:		Date:	
Type: Bradenhead	# 2		
Comment:	Taylor plugs located on bradenheads, bradenhead valves are accessible		
Corrective Action:		Date:	
Type: Other	# 1		
Comment:	Flowline heating insulation open ended/wildlife hazard/available for entry by wildlife		
Corrective Action:	Comply with CECMC Rule 602	Date:	03/14/2026

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	1	300 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	2	300 BBLs	STEEL AST			
Comment: Tanks not 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:	
Venting:						
Yes/No	NO					
Comment:						
Corrective Action:						Date:
Flaring:						
Type						
Comment:						
Corrective Action:						Date:

Inspected Facilities

Facility ID: 259576 Type: WELL API Number: 045-07754 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: 259577 Type: WELL API Number: 045-07755 Status: PR Insp. Status: PR

Producing Well

Comment: Producing, well on plunger lift

Leak/bubbling around CHEVRON 44-5D wellhead - indicates a possible lack of mechanical integrity

Corrective Action: Comply with CECMC Rule 417

Date: 09/07/2026

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
		Ditches				
		Rip Rap				
		Culverts				
		Sediment Traps				
		Gravel				Sparse to none
		Berms				
Berms						
		Compaction				Light compaction in some sections
		Check Dams				
Rip Rap						
Hydro Mulch						
Gravel						Sparse to none in most areas
Compaction						Small amount of light compaction

Comment:

Corrective Action:

Date: _____

Pits: NO SURFACE INDICATION OF PIT

ECMC Comments

Comment	User	Date
<p>CECMC Inspection/Audit Report Summary On 03/06/2026 at approximately 13:46 hours, I, Compliance Specialist, Wayne Smelser Conducted an on-site inspection/audit at QB ENERGY OPERATING LLC CHEVRON-66S96W 4SWSW (PARACHUTE CREEK 8) Location # 335766 in Garfield County Colorado. Location is within High Priority/Density/NSO/Black Bear Habitat areas. Location is approximately 44 yards from Parachute Creek. While there, I observed normal production operations.</p> <p>During this inspection/audit the following compliance issues were observed:</p> <p>1. Equipment - Flowline heating insulation open ended/wildlife hazard - Comply with Rule 602 with a CA date of 03/14/2026</p> <p>2. Inspected Facilities - Leak/bubbling around CHEVRON 44-5D wellhead - Comply with Rule 417 with a CA date of 09/07/2026</p> <p>Comments -</p> <p>Equipment - External corrosion visible on separator & staining near separator</p> <p>Split pad/Remote location - Shared facilities with the CHEVRON-66S96W 4SWSW (PARACHUTE CREEK 13 696) location # 335566</p> <p>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.</p> <p>Any corrective actions from previous inspections/audits that have not been addressed are still applicable.</p>	smelserw	03/07/2026

Attached Documents

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

Document Num	Description	URL
708908645	Inspection/Audit 708908644 Stormwater photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=7471804
708908646	Inspection/Audit 708908644 photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=7471805
708908647	Inspection/Audit 708908644 Leak Video 1	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=7471806
708908648	Inspection/Audit 708908644 Leak Video 2	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=7471807