

**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:

03/06/2026

Submitted Date:

03/06/2026

Document Number:

708908632

FIELD INSPECTION FORM

Loc ID: 335795 Inspector Name: Smelser, Wayne 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:

- 19 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
Heil, John		john.heil@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
275459	WELL	PR	09/01/2024	GW	045-13546	CHEVRON 42A-8D	PR
275466	WELL	PR	09/01/2024	GW	045-13547	CHEVRON 41D-8D	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	TANK LABELS/PLACARDS		
Comment:			
Corrective Action:			Date:
Type	BATTERY		
Comment:			
Corrective Action:			Date:
Type	WELLHEAD		
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 & hog panels		
Corrective Action:			Date:
Type	WELLHEAD		
Comment:	Pipe rail fence		
Corrective Action:			Date:

Equipment:			corrective date
Type: Bradenhead	# 2		
Comment:	Taylor plugs located on bradenheads, bradenhead valves are accessible		
Corrective Action:		Date:	
Type: Plunger Lift	# 2		
Comment:	All wells on plunger lift		
Corrective Action:		Date:	
Type: Gas Meter Run	# 2		
Comment:			
Corrective Action:		Date:	
Type: Horizontal Heated Separator	# 2		
Comment:			
Corrective Action:		Date:	
Type: Bird Protectors	# 2		
Comment:			
Corrective Action:		Date:	
Type: Deadman # & Marked	# 4		
Comment:	Marked		
Corrective Action:		Date:	
Type: Other	# 1		
Comment:	<p>Mechanical Condition - Leaking valve on production tank</p> <p>At approximately 11:45 hours observed valve on production tank leaking fluid. At approximately 11:58 hours I called Joey Gracey with QB Energy & left a voicemail about the leak. At approximately 12:01 hours Joey called back to discuss the leak. I let him know I was issuing at 24 hour corrective action on the observed compliance issue. He said he'd get someone headed that way to take care of it.</p>		
Corrective Action:	Comply with CECMC Rules 608 & 912		Date: 03/07/2026

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
CONDENSATE	1	300 BBLs	STEEL AST		,
Comment:	Tank 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:				
Corrective Action:				Date:

Venting:

Yes/No	NO		
Comment:			
Corrective Action:		Date:	

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Inspected Facilities

Facility ID: 275459 Type: WELL API Number: 045-13546 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: 275466 Type: WELL API Number: 045-13547 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
		Ditches				
		Tracking Pad				Aggregate/gravel based VTC at start of spur road
		Rip Rap				
		Sediment Traps				
		Culverts				
		Gravel				Sparse to none
Compaction						Small amount of light compaction
		Compaction				Light compaction in some sections
Gravel						Sparse to none in most areas
		Berms				
		Check Dams				
Berms						

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 11:40 hours, I, Compliance Specialist, Wayne Smelser Conducted a follow up inspection/audit at QB ENERGY OPERATING LLC CHEVRON 42A-8D (PARACHUTE CREEK 6 696) Location # 335795 in Garfield County Colorado. Please refer to inspection/audit 708907455 conducted on 09/15/2025 & inspection/audit 708907530 conducted on 09/24/2025, previous corrective actions have been completed. Location is within High Priority/Density/NSO/Black Bear Habitat areas. Location is approximately 117 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 - Mechanical Condition - Valve on production tank leaking fluid - Comply with rules 608 & 912 with a CA date of 03/07/2026</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	03/06/2026

Attached Documents

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

Document Num	Description	URL
404570548	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=7471758
708908633	Inspection/Audit 708908632 Stormwater photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=7471755
708908634	Inspection/Audit 708908632 photo log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=7471756
708908635	Inspection/Audit 708908632 Leak Video	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=7471757