

State of Colorado
Oil and Gas Conservation Commission

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Document Number:

402505920

Date Received:

10/09/2020

Spill report taken by:

Arauzo, Steven

Spill/Release Point ID:

477775

SPILL/RELEASE REPORT (SUPPLEMENTAL)

This form is to be submitted by the party responsible for the oil and gas spill or release. Refer to COGCC Rule 906.b. for reporting requirements of spills or releases of E&P Waste or produced fluids. Submit a Site Investigation and Remediation Workplan (Form 27) when requested by the Director.

OPERATOR INFORMATION

Name of Operator: <u>CAERUS PICEANCE LLC</u>	Operator No: <u>10456</u>	Phone Numbers
Address: <u>1001 17TH STREET #1600</u>		Phone: <u>(970) 778-2314</u>
City: <u>DENVER</u> State: <u>CO</u> Zip: <u>80202</u>		Mobile: <u>(970) 778-2314</u>
Contact Person: <u>Jake Janicek</u>		Email: <u>jjanicek@caerusoilandgas.com</u>

INITIAL SPILL/RELEASE REPORT

Initial Spill/Release Report Doc# 402477865

Initial Report Date: 08/29/2020 Date of Discovery: 08/28/2020 Spill Type: Recent Spill

Spill/Release Point Location:

QTRQTR NWSE SEC 1 TWP 7S RNG 97W MERIDIAN 6

Latitude: 39.473544 Longitude: -108.166350

Municipality (if within municipal boundaries): _____ County: GARFIELD

Reference Location:

Facility Type: WELL PAD Facility/Location ID No _____

Spill/Release Point Name: Dump Line Failure Well API No. (Only if the reference facility is well) 05-045-08924

No Existing Facility or Location ID No.

Fluid(s) Spilled/Released (please answer Yes/No):

Was one (1) barrel or more spilled outside of berms or secondary containment? Yes

Secondary containment, including walls & floor regardless of construction material, must be sufficiently impervious to contain any discharge from primary containment until cleanup occurs.

Were Five (5) barrels or more spilled? No

Estimated Total Spill Volume: use same ranges as others for values

Estimated Oil Spill Volume(bbl): 0 Estimated Condensate Spill Volume(bbl): 0

Estimated Flow Back Fluid Spill Volume(bbl): 0 Estimated Produced Water Spill Volume(bbl): Unknown

Estimated Other E&P Waste Spill Volume(bbl): 0 Estimated Drilling Fluid Spill Volume(bbl): 0

Specify: Unknown volume at this time, at least 1 bbl outside of containment

Land Use:

Current Land Use: NON-CROP LAND Other(Specify): Rangeland

Weather Condition: Cloudy

Surface Owner: FEE Other(Specify): Puckett

Check if impacted or threatened by spill/Release (please answer Yes/No to all that apply):

Waters of the State Residence/Occupied Structure Livestock Public Byway Surface Water Supply Area

As defined in COGCC 100-Series Rules

Describe what is known about the spill/release event (what happened -- including how it was stopped, contained, and recovered):

Dump Line failure identified during Pressure Test.

List Agencies and Other Parties Notified:

Was there a Grade 1 Gas Leak? Yes No

If YES, enter the Document Number of the Grade 1 Gas Leak Report Form 44: _____

Was there a reportable accident associated with either a Grade 1 Gas Leak or an E&P waste spill or release? Yes No

If YES, enter the Document Number of the Initial Accident Report, Form 22: _____

Was there damage during excavation? Yes No

If YES, was CO 811 notified prior to excavation? Yes No

CORRECTIVE ACTIONS

#1 Supplemental Report Date: 10/08/2020

Root Cause of Spill/Release Corrosion _____

Other (specify) _____

Type of Equipment at Point of Spill/Release: Dump Line _____

If "Other" selected above, specify or describe here:

Describe Incident & Root Cause (include specific equipment and point of failure)

The failure occurred approximately four feet upstream of the 90 degree elbow where the dumpline transitions from subsurface to above-ground at the tank battery. Internal corrosion was the root cause.

Describe measures taken to prevent the problem(s) from reoccurring:

The dumpline was replaced. A corrosion inhibiting chemical is being put through a feasibility test to determine if it will be useful in dumplines.

Volume of Soil Excavated (cubic yards): 200

Disposition of Excavated Soil (attach documentation) Offsite Disposal Onsite Treatment

Other (specify) _____

Volume of Impacted Ground Water Removed (bbls): _____

Volume of Impacted Surface Water Removed (bbls): _____

REQUEST FOR CLOSURE

Spill/Release Reports should be closed when impacts have been remediated or when further investigation and corrective actions will take place under an approved Form 27.

Basis for Closure: Corrective Actions Completed (documentation attached)

Work proceeding under an approved Form 27

Form 27 Remediation Project No: _____

OPERATOR COMMENTS:

On 9/4/2020, two soil samples were collected from the soil near the point of release (POR). One soil sample (20200904-255-1-POR@5') was collected from soil immediately below the POR. The second sample (20200904-255-1-TANKBOTTOM@7') was collected from a point

approximately three feet below the POR and immediately below the bottom of the adjacent partially buried vault (PBV). This sample was to be used to determine if the impacts had migrated below the PBV. Both samples were submitted for laboratory analysis of all analytes listed in COGCC Table 910-1. Laboratory analytical results indicate that both samples were compliant with all COGCC Table 910-1 Concentration Levels or below background concentrations for arsenic, except for the measurements for TPH and/or benzene. Table 1 summarizes analytical results and reports are attached.

On 9/15/2020, soil represented by soil samples 20200904-255-1-POR@5' and 20200904-255-1-TANKBOTTOM@7' was removed and confirmation soil samples were collected. Unfortunately, these samples arrived at the laboratory later than anticipated and did not comply with the laboratory's temperature requirements.

On 9/24/2020, environmental personnel returned to the site and collected seven samples (20200924-PUCKETT 255-1 (E BOTTOM) @21.5', 20200924-PUCKETT 255-1 (E WALL) @15', 20200924-PUCKETT 255-1 (POR BOTTOM) @21', 20200924-PUCKETT 255-1 (W WALL) @17', 20200924-PUCKETT 255-1 (N WALL) @16', 20200924-PUCKETT 255-1 (S WALL) @17', and 20200924-PUCKETT 255-1 (SSTOCK)) from the walls and base of the excavation and soil removed from the excavation. All samples were submitted for laboratory analysis of all analytes listed in COGCC Table 910-1. Laboratory analytical results indicate that all samples were compliant with all COGCC Table 910-1 Concentration Levels, below background concentrations for arsenic, or within a range (1.25 x background arsenic concentrations) accepted by the COGCC. Table 1 summarizes analytical results and reports are attached. Please see Figure 1 which depicts soil sampling locations and other pertinent site info.

In order to address the arsenic exceedances exhibited in the soil samples collected on 9/24/2020, Caerus is requesting consideration for the COGCC Table 910-1 Concentration Level for arsenic under guidelines set forth under FAQ 31. Caerus believes the request for FAQ 31 consideration is acceptable as the arsenic results for the soil samples were either below background concentrations or within a range (1.25 x background arsenic concentrations) accepted by the COGCC. Samples collected at a nearby location (COGCC Location ID 334728) were used for comparison. Table 1 summarizes background analytical results and reports are attached. Please see Figure 2 which depicts background soil sampling locations.

A COA listed on the Initial Form 19 (COGCC Document 402477865) for this release requested that a representative fluid sample be collected from the well associated with the failed dumphine. Caerus requests relief from this COA due to the fact that in order to make the site safe for excavation, all production fluids had to be removed from both production tanks onsite, leaving no fluid available for collection.

A second COA listed on the Initial Form 19 (COGCC Document 402477865) for this release requested that background samples be collected from nearby non-impacted soils. These samples will be collected and results of those samples will be made available upon request.

Per a third COA listed on the Initial Form 19 (COGCC Document 402477865) for this release, documentation of notification to the landowner and Local Governmental Designee is attached to this form.

I hereby certify all statements made in this form are to the best of my knowledge true, correct, and complete.

Signed: _____ Print Name: Jake Janicek
 Title: EHS Specialist Date: 10/09/2020 Email: jjanicek@caerusoilandgas.com

COA Type	Description
	Based on review of information presented it appears that no further action is necessary at this time, and COGCC approves the closure request. However, should future conditions at the site indicate contaminant concentrations in soils exceeding COGCC standards or if surface and/or ground water is found to be impacted, then further investigation and/or remediation activities will be required at the site.

Attachment Check List

Att Doc Num	Name
402505920	SPILL/RELEASE REPORT(SUPPLEMENTAL)
402505921	SITE MAP
402505928	ANALYTICAL RESULTS
402505929	ANALYTICAL RESULTS
402507133	OTHER
402507134	OTHER
402510001	FORM 19 SUBMITTED

Total Attach: 7 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Environmental	Based on the information provided regarding removal of production fluids onsite, the operator's request for relief from the representative fluids sampling COA is conditionally approved.	10/13/2020
Environmental	Provide an update to Remediation Project #15949.	10/13/2020
Environmental	Based on the information provided for background samples, the Operator's request for consideration of arsenic background concentrations in exceedance of Table 910-1 is conditionally approved.	10/13/2020

Total: 3 comment(s)