

State of Colorado
Oil and Gas Conservation Commission



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

FOR OGCC USE ONLY

SPILL/RELEASE REPORT

This form is to be submitted by the party responsible for the oil and gas spill or release. Any spill or release which may impact waters of the State must be reported as soon as practicable; any spill over 20 bbls must be reported within 24 hours and all spills over five bbls must be reported within ten days. Submit a Site Investigation and Remediation Workplan (Form 27) when requested by the Director.

Spill report taken by:

FACILITY ID:

OPERATOR INFORMATION

Name of Operator: <u>Kinder Morgan CO2 Company, LP</u> OGCC Operator No: <u>46685</u>	Phone Numbers
Address: <u>17801 Hwy 491</u>	No: <u>970-882-5507</u>
City: <u>Cortez</u> State: <u>CO</u> Zip: <u>81321</u>	Fax: <u>970-882-5521</u>
Contact Person: <u>Bob Clayton</u>	E-Mail: <u>bob_clayton@kindermorgan.com</u>

DESCRIPTION OF SPILL OR RELEASE

Date of Incident: <u>9/20/2012</u> Facility Name & No.: <u>YG-1 Wellsite</u>	County: <u>Montezuma</u>
Type of Facility (well, tank battery, flow line, pit): <u>Well</u>	QtrQtr: <u>SWNE</u> Section: <u>14</u>
Well Name and Number: <u>Yellow Jacket G-1</u>	Township: <u>37N</u> Range: <u>18W</u>
API Number: <u>05-083-06697</u>	Meridian: <u>NMPM</u>
Specify volume spilled and recovered (in bbls) for the following materials:	
Oil spilled: <u>0</u> Oil recov'd: <u>0</u> Water spilled: <u>0.76</u> Water recov'd: <u>0</u> Other spilled: <u>0</u> Other recov'd: <u>0</u>	
Ground Water impacted? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Surface Water impacted? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Contained within berm? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Area and vertical extent of spill: <u>6</u> x <u>6</u>
Current land use: <u>Drilling location</u>	Weather conditions: <u>Fair</u>
Soil/geology description: <u>Sandy clay loam</u>	
IF LESS THAN A MILE, report distance IN FEET to nearest.... Surface water: <u>1,306</u> wetlands: _____ buildings: <u>2,113</u>	
Livestock: _____ water wells: <u>5,280</u> Depth to shallowest ground water: <u>195</u>	
Cause of spill (e.g., equipment failure, human error, etc.): <u>Berm failure</u> Detailed description of the spill/release incident:	
<small>At the time of the inspection, Kinder Morgan was working to implement its closed loop system and was using a semi-closed loop system. Cuttings from the fluid drilled hole section were dried and collected and stockpiled on location on a lined area covered with 6" of soil. The soil protected the liner while trucks placed the stockpiles of cutting for temporary storage. The lined storage area was surrounded by a berm and connected to the lined pit, which was constructed/graded to allow run-off to drain to the pit. Unfortunately, the containment berm was damaged by heavy equipment and rain water that had come into contact with the drill cuttings flowed outside the liner protected area for a short period of time before the berm was repaired. A small swale formed that was approximately 1 foot wide by 50 feet long ending in a 6 foot by 6 foot shallow pool.</small>	

CORRECTIVE ACTION

Describe immediate response (how stopped, contained and recovered):
In an abundance of caution, Kinder Morgan removed contaminated soil to a depth of 7 inches. This contaminated material was placed within the lined containment area until it was transported to the Montezuma County Solid Waste Facility with the remaining cuttings and cement.

Describe any emergency pits constructed:
 None

How was the extent of contamination determined:
It was determined that the chloride staining on the ground indicated the extent of the spill, which was measured to be an approximate 1 foot by 50 foot section and an approximate 6 foot by 6 foot section. The depth of penetration was no more than 3 inches in the 1 foot by 50 foot section and 6 inches in the 6 foot by 6 foot section.

Further remediation activities proposed (attach separate sheet if needed):
 Complete site remediation

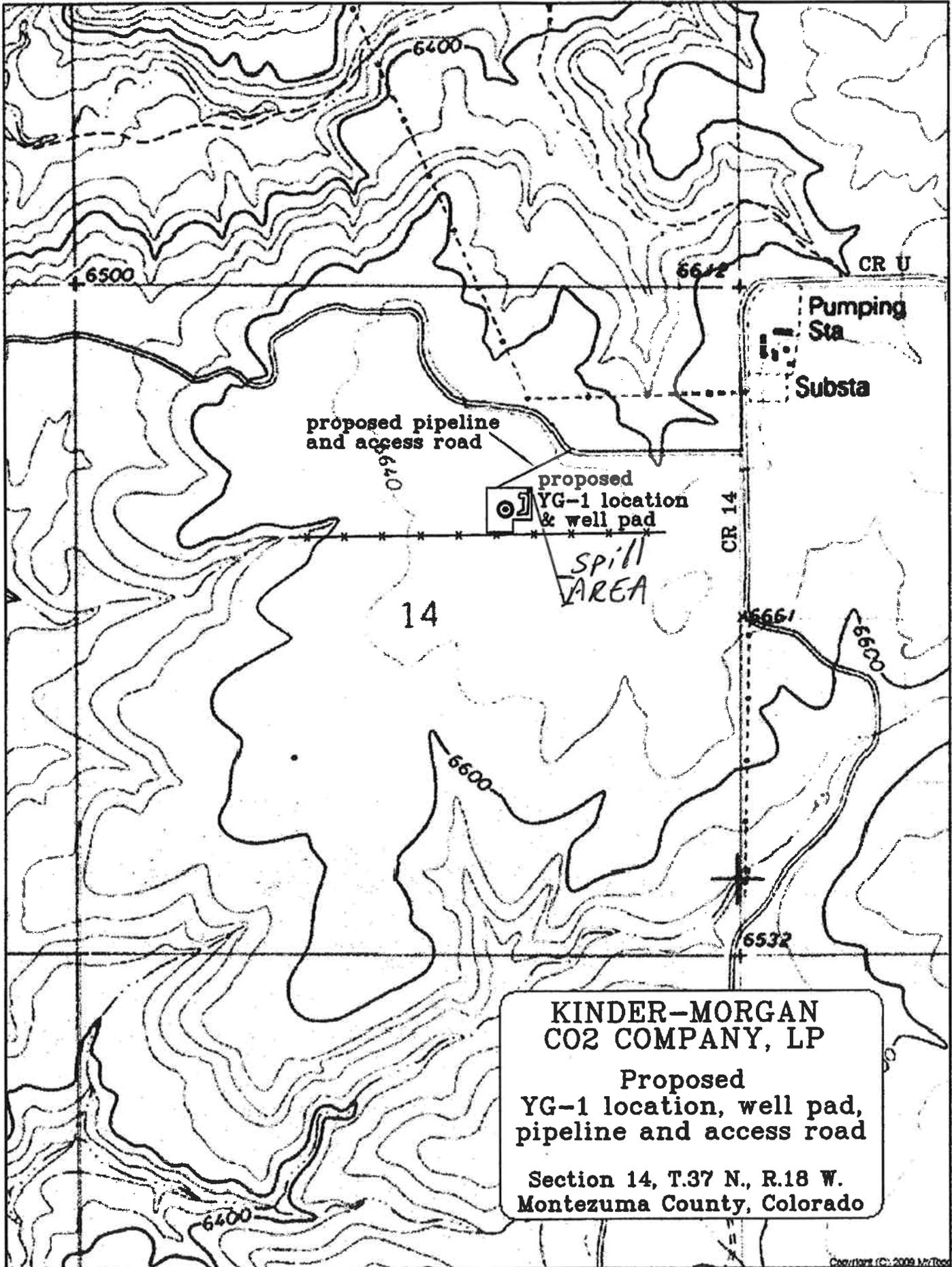
Describe measures taken to prevent problem from reoccurring:
 The berm was rebuilt to prevent future runoff.

OTHER NOTIFICATIONS

List the parties and agencies notified (County, BLM, EPA, DOT, Local Emergency Planning Coordinator or other).

Date	Agency	Contact	Phone	Response

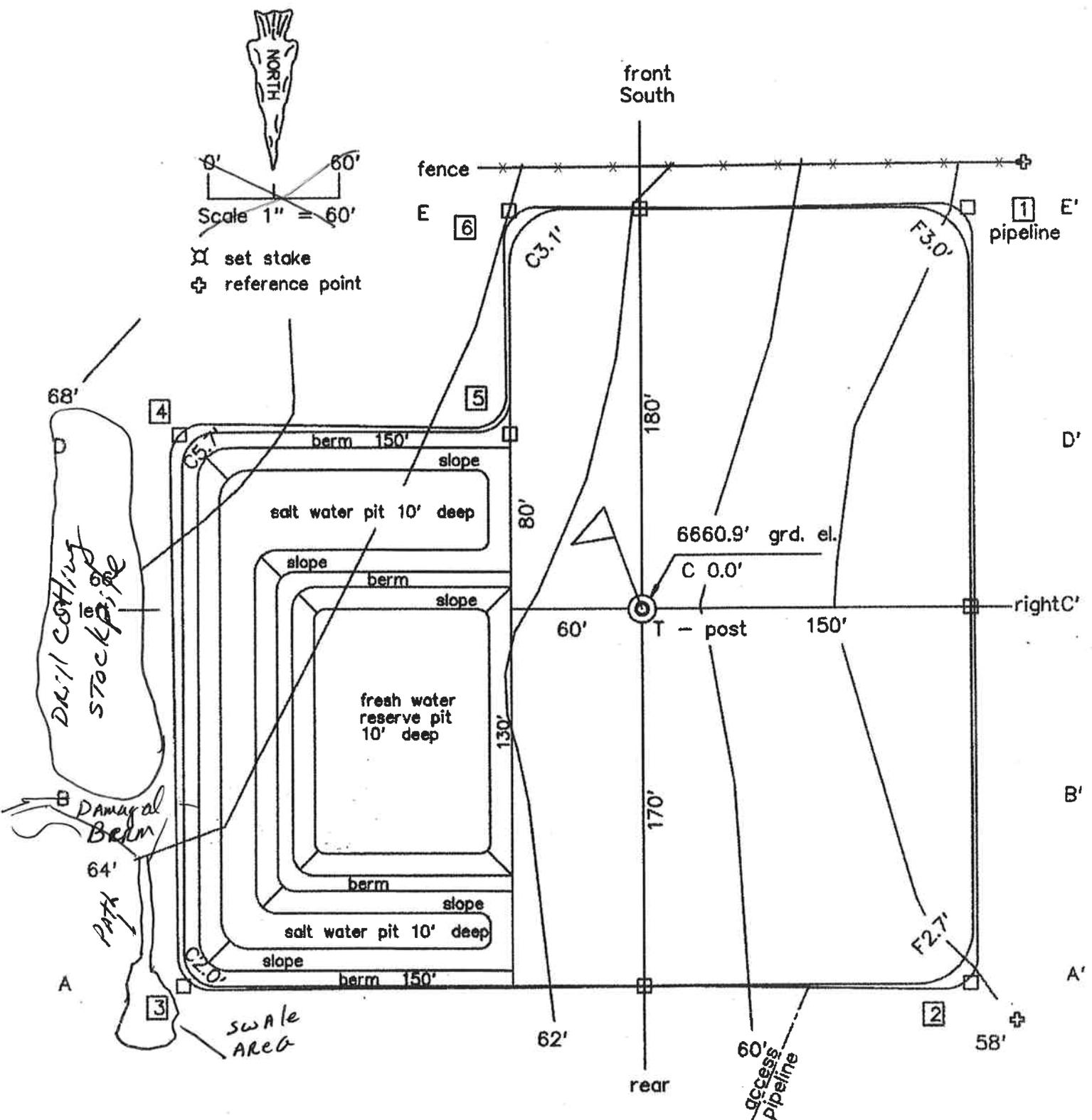
Spill/Release Tracking No: _____



**KINDER-MORGAN
CO2 COMPANY, LP**

**Proposed
YG-1 location, well pad,
pipeline and access road**

**Section 14, T.37 N., R.18 W.
Montezuma County, Colorado**



References:

N 42°14' 10" W 252.26' 6657.9' el.
S 41°08' 54" W 265.98' 6657.1' el.

******* LIQUID SPILLS - VOLUME CALCULATIONS *******

Location of spill: YG-1 Wellsite

Date of Spill: 9/20/2012

If the leak/spill is associated with production equipment, i.e. - wellhead, stuffing box, flowline, tank battery, production vessel, transfer pump, or storage tank place an "X" here:

Input Data:									
If spill volumes from measurement, i.e. metering, tank volumes, etc. are known enter the volumes here:					OIL:	WATER:			
					0.0000 BBL	0.0000 BBL			
If "known" spill volumes are given, input data for the following "Area Calculations" is optional. The above will override the calculated volumes.									
Total Area Calculations					Standing Liquid Calculations				
Total Surface Area	width	length	wet soil depth	oil (%)	Standing Liquid Area	width	length	liquid depth	oil (%)
Rectangle Area #1	1 ft X	50 ft X	3.0 in	0%	Rectangle Area #1	0 ft X	0 ft X	0 in	0%
Rectangle Area #2	6 ft X	6 ft X	6 in	0%	Rectangle Area #2	0 ft X	0 ft X	0 in	0%
Rectangle Area #3	0 ft X	0 ft X	0 in	0%	Rectangle Area #3	0 ft X	0 ft X	0 in	0%
Rectangle Area #4	0 ft X	0 ft X	0 in	0%	Rectangle Area #4	0 ft X	0 ft X	0 in	0%
Rectangle Area #5	0 ft X	0 ft X	0 in	0%	Rectangle Area #5	0 ft X	0 ft X	0 in	0%
Rectangle Area #6	0 ft X	0 ft X	0 in	0%	Rectangle Area #6	0 ft X	0 ft X	0 in	0%
Rectangle Area #7	0 ft X	0 ft X	0 in	0%	Rectangle Area #7	0 ft X	0 ft X	0 in	0%
Rectangle Area #8	0 ft X	0 ft X	0 in	0%	Rectangle Area #8	0 ft X	0 ft X	0 in	0%

okay
Production Data NOT Required

Average Daily Production: Oil 0 BBL Water 0 BBL

Did leak occur before the separator?: YES N/A (place an "X")

Amount of Free Liquid Recovered: 0 BBL okay Percentage of Oil in Free Liquid Recovered: 0% (percentage)

Liquid holding factor *: 0.14 gal per gal

Use the following when the spill wets the grains of the soil:
 * sand = .08 gallon liquid per gallon volume of soil.
 * gravelly (caliche) loam = .14 gallon liquid per gallon volume of soil.
 * sandy clay loam soil = .14 gallon liquid per gallon volume of soil.
 * clay loam = .16 gallon liquid per gallon volume of soil.

Use the following when the liquid completely fills the pore space of the soil:
 Occurs when the spill soaked soil is contained by barriers, natural (or not).
 * gravelly (caliche) loam = .25 gallon liquid per gallon volume of soil.
 * sandy loam = .5 gallon liquid per gallon volume of soil.

Saturated Soil Volume Calculations:			Free Liquid Volume Calculations:		
Total Solid/Liquid Volume:	H2O	OIL	Total Free Liquid Volume:	H2O	OIL
<u>86 sq. ft.</u>	<u>31 cu. ft.</u>	<u>cu. ft.</u>	<u>sq. ft.</u>	<u>.000 cu. ft.</u>	<u>.000 cu. ft.</u>
Estimated Volumes Spilled			Estimated Production Volumes Lost		
Liquid in Soil:	<u>0.8 BBL</u>	<u>0.0 BBL</u>	Estimated Production Spilled:	<u>0.000000 BBL</u>	<u>0.000000 BBL</u>
Free Liquid:	<u>0.0 BBL</u>	<u>0.0 BBL</u>	Estimated Surface Damage		
Totals:	<u>0.760 BBL</u>	<u>0.000 BBL</u>	Surface Area:	<u>86 sq. ft.</u>	
Total Liquid Spill Liquid:	<u>0.760 BBL</u>	<u>0.000 BBL</u>	Surface Area:	<u>.0020 acre</u>	
Recovered Volumes			Estimated Weights, and Volumes		
Estimated oil recovered:	<u>0.0 BBL</u>	check - okay	Saturated Soil =	<u>3,416 lbs</u>	<u>31 cu.ft.</u>
Estimated water recovered:	<u>0.0 BBL</u>	check - okay	Total Liquid =	<u>1 BBL</u>	<u>31.94 gallon</u>
					<u>266 lbs</u>



