



Re: Skim pit issues

1 message

Noto - DNR, John <john.noto@state.co.us>

Thu, May 22, 2014 at 4:50 PM

To: Dave Peterson <davep@flatironenergy.com>

Cc: "John.Axelson@state.co.us" <John.Axelson@state.co.us>, OGCC EnviroScan - DNR <OGCC.EnviroScan@state.co.us>

Dave,

Thank you for the update and the rapid response to the issues that we identified. I will note in the inspections that Diamond Operating has begun to address the issues.

COGCC has assigned Remediation #8252 and document # 2090013 to the Form 27 for the Idea #1. The Form 27 for the Gulley #1 has been assigned Remediation #8425 and document # 2148912. The Form 27 for the Ward Unit #5 has been assigned Remediation #8428 and document #2148917. Please refer to these numbers in future correspondence. Conditions of approval for the forms will be conveyed in an email.

Best regards,

John Noto

Cc: Remediation #8252
Remediation #8425
Remediation #8428

On Thu, May 22, 2014 at 3:39 PM, Dave Peterson <davep@flatironenergy.com> wrote:

John,

Immediately after I left the meeting yesterday, I called Rick Gibson to inform him of the items you discovered at the Idea and Gulley skim pit closure sites. He drove over there to check things out.

Here are his observations as reported to me later in the day –

Idea skim pit site

Oily puddle of fluid -- As identified in your photo, yes there was an oily puddle at the site. Rick had some 5 gallon plastic buckets so with a smaller container he dipped the fluid out of the puddle and put it into one of the buckets. He estimated there was roughly 4 gallons of fluid he recovered from the puddle and roughly 2 cups was crude oil. The rest was water. The top of the puddle was covered by a layer of free oil and it looked as if it could have been all oil. He had noticed it previously and had intended on having a vacuum truck suck it up when they were in the area but it just never got done. He said he is certain this puddle contained fluid that was left over in the pit when it was back-filled. Certainly leaving this as we did and then forgetting about it is

unacceptable. It should have been taken care of immediately.

Note --When the vacuum truck comes to a location to pull fluid from a skim pit, the unit has a 3" or 4" diameter hose with an assembly on the end of the hose similar to a handheld vacuum cleaner. The vacuum truck operator positions the assembly facing up and attempts to gather all the oil floating on top of the water. They can get most of the oil but it is impossible to get every last bit of oil. Ideally one would hope the small amount of fluid that is in the pit when the vacuum truck leaves would soak away and this non-recoverable oil would settle on the bottom of the pit and could be scooped out by the trac-hoe when the oil-stained soil is removed. Unfortunately, as I explained yesterday, these skim pits, since they are located directly adjacent to water pits, won't dry up allowing this oil to be scooped out. Our only realistic option is to crowd the leftover water and oil to the surface when the pit is closed and pick it up at this time.

Wet, oily clumps of mud at the site – We are not exactly sure what to make of this. Rick agreed that it looked like it could have oozed out to the surface from below the pit. Other than that he are not sure how it got there. He had scheduled a backhoe to come out this morning and investigate. The area received an inch of rain last night and it is just too muddy to work. He will get someone in there when conditions allow.

Gulley skim pit site

Large clump of dirt with what appeared to be oil-stain and dark bands of soil in a few places that looked like oil-staining -- Rick grabbed samples of this material and could not definitively tell whether it was oil or iron-sulfide staining. We do get a black iron sulfide build-up in most of the water pits and it resembles oil staining. As we conduct further testing I am going to talk to some at Accutest and see if they can test for iron sulfide material.

As I said yesterday I am upset and embarrassed about this circumstance. I can assure you it will never happen again.

In defense of Rick Gibson, I want you to know that since Rick has had a lot on his plate lately, I hired someone else to oversee these skim pit closures. Obviously Rick is at these leases on a daily basis and should have caught and taken care of these things (especially a puddle with free oil in it) but he was not directly responsible for the skim pit closures. I spoke with him last night and he was very distraught about the situation. I told him that he shouldn't worry about it, that it will be resolved and we can just make sure it never happens again.

Thanks for your cooperation of this matter. I look forward to your instructions regarding further assessment at the sites.

Dave Peterson

P.S. We re-routed a vacuum truck to the Ward water pit and he was able to pick up most of the interface fluid (a slimy oil-water emulsion that forms at the boundary of the oil section and the water section in heater-treaters) that was floating in the corner. Rick checked it this morning and there is a small amount that had re-accumulated and he will get it out. We have called a contractor with a special type of trac-hoe to go and dress-up this pit which will entail removing any oil-staining on the sides of the pit and then performing routine pit bank maintenance.

John Noto P.G.

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